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Annual Report

of the

Controller

of the

City and County of San Francisco

For the Fiscal Year Ended June 30, 1973

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Annual Report

of the

Controller

of the
City and County of San Francisco
For the Fiscal Year Ended June 30, 1973



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CITY AND COUNTY OF SAN FRANCISCO

OFFICE OF THE CONTROLLER

January 23, 1974

To His Honor, the Mayor,
and the honorable the Board of Supervisors
City and County of San Francisco

Gentlemen:

The annual report of the Controller for the fiscal year ended June 30, 1973 is submitted herewith, as provided by Section 3.303 of the Charter.

The accounts of the Controller were audited by Main Lafrentz & Co. by direction of the Board of Supervisors, in accordance with provisions of Section 3.305 of the Charter.

By direction of the Controller, the following audits reported herein were performed by the accounting firms indicated:

San Francisco Water Department, Hetch Hetchy
Water and Power Project, by John F. Forbes &
Company.

Municipal Railway, by Hurdman and Cranstoun.

San Francisco Airport, by Hood and Strong.

San Francisco Unified School District by
Harold T. Hoertkorn.

San Francisco Community College District by
Harold T. Hoertkorn.

Port of San Francisco, by Main Lafrentz & Co.

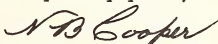
Employees' Retirement System by Farquhar &
Heimbucher.

The audit of the Employees' Retirement System by Farquhar & Heimbucher is for the year ended June 30, 1972.

As prescribed by Section 3.303 of the Charter, the audit of the Office of the Treasurer of the City and County of San Francisco was made by the Controller's Audit Staff.

Statistical schedules and charts were prepared by the Controller's Division of Accounts and Reports.

Very truly yours,



NATHAN B. COOPER

CONTROLLER



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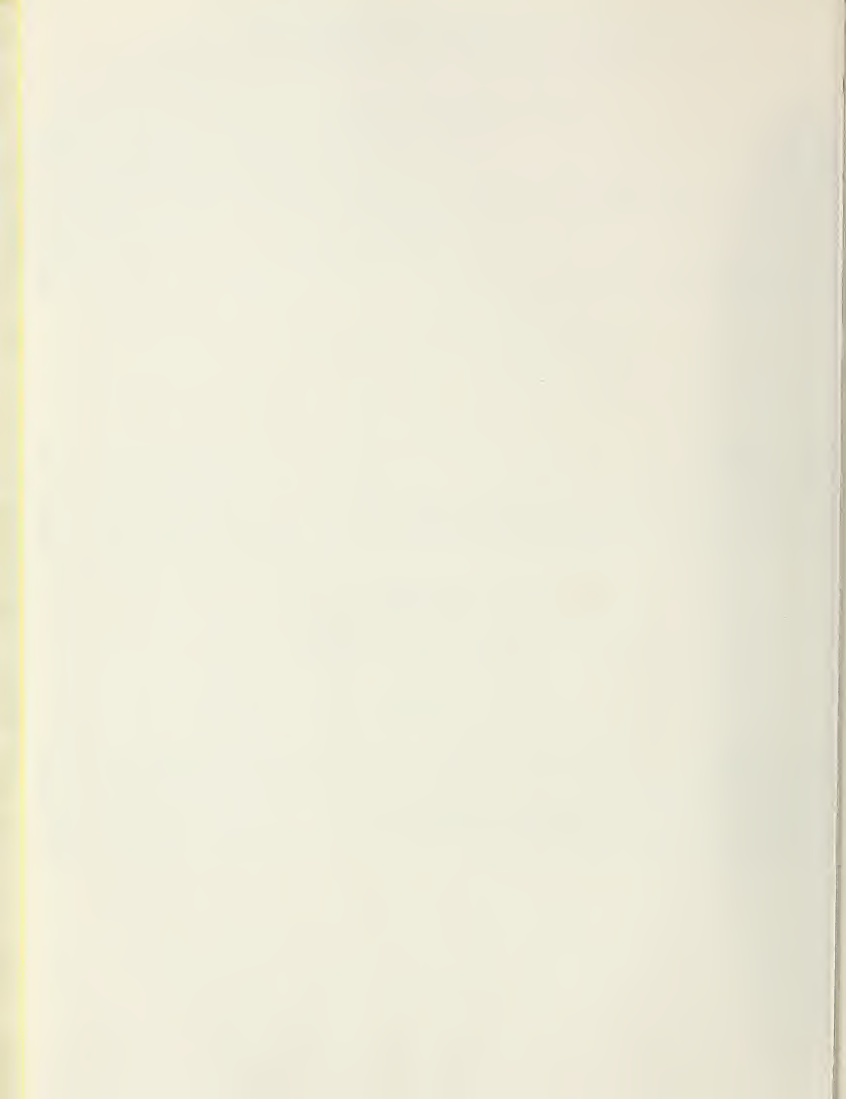
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REPORT ON EXAMINATION OF ACCOUNTS
JUNE 30, 1973

By Main Lafrentz & Co.

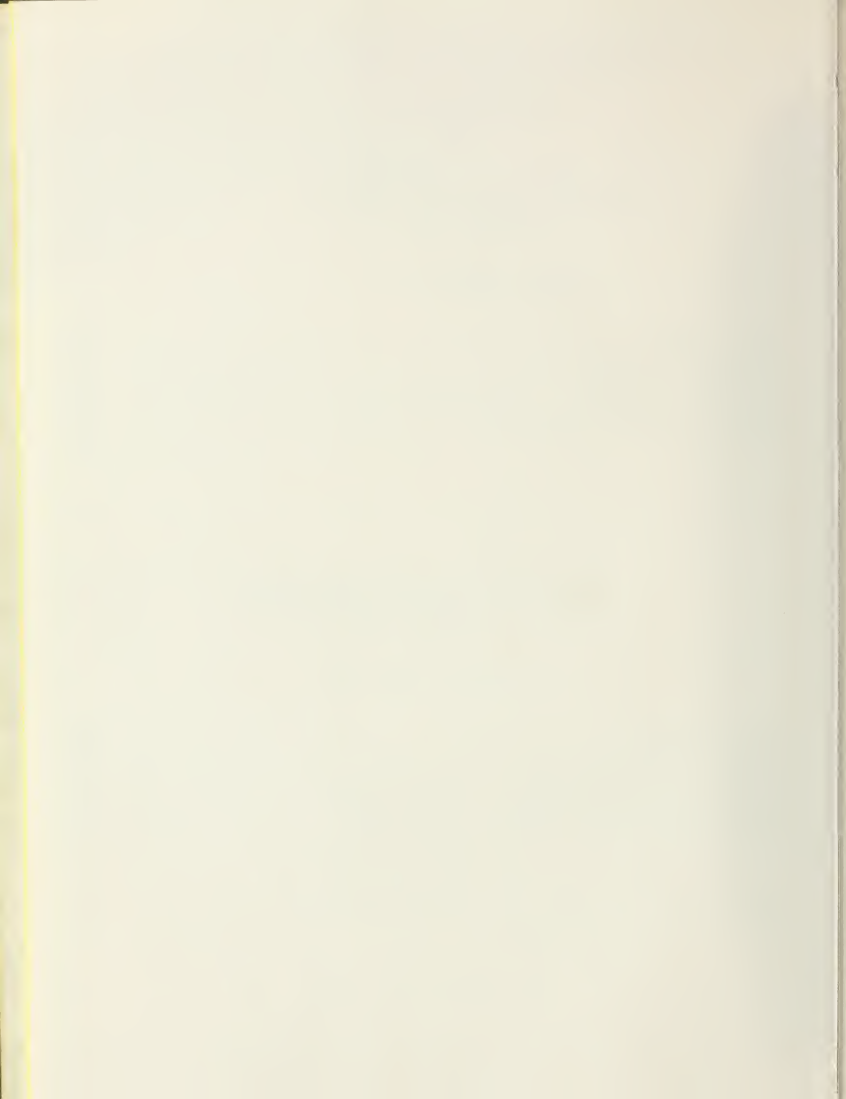
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CITY AND COUNTY OF SAN FRANCISCO

STATEMENT OF EXPENDITURES

Fiscal Years 1963-64 to 1972-73

FISCAL YEAR ENDED JUNE 30

	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Departmental Expenditures:										
General Government	\$ 18,467,316	\$ 19,357,669	\$ 21,353,059	\$ 23,585,457	\$ 26,773,817	\$ 27,735,527	\$ 30,329,669	\$ 32,022,058	\$ 34,201,558	\$ 35,136,856
Public Safety	35,409,630	37,607,963	38,432,866	41,682,634	43,609,284	50,015,795	55,419,593	60,031,258	69,109,369	69,189,725
Highways	4,069,001	4,984,128	5,636,634	5,931,921	6,317,372	5,483,347	5,481,590	6,630,412	6,738,668	6,738,668
Sanitation and Waste Removal	5,701,714	5,392,102	6,128,122	6,403,483	6,903,828	7,266,127	7,971,697	8,724,482	9,127,261	10,237,261
Conservation of Health	12,570,349	4,747,323	5,075,127	5,611,100	6,376,754	7,266,127	7,971,697	8,724,482	9,127,261	10,237,261
Hospitals	12,570,349	4,747,323	5,075,127	5,611,100	6,376,754	7,266,127	7,971,697	8,724,482	9,127,261	10,237,261
Public Welfare	53,262,721	61,690,163	74,267,943	84,074,483	92,333,608	108,875,922	132,924,750	150,650,258	163,779,871	157,509,189
Corrections	3,920,223	4,170,153	4,478,943	4,603,728	5,377,668	6,071,880	6,862,138	7,479,922	8,045,572	8,079,896
Sanitation	59,467,135	64,051,550	66,822,448	72,354,115	80,782,310	94,937,179	108,463,796	118,865,793	127,946,752	128,192,358
Libraries	1,954,228	2,164,271	2,331,332	2,530,368	2,707,187	2,968,878	3,115,498	3,318,753	3,534,711	3,567,481
Recreation	9,884,510	10,412,020	11,061,155	11,953,544	12,834,004	14,101,167	14,374,386	16,665,583	17,028,525	18,490,694
Total Departmental Expenditures	209,650,967	228,777,926	251,202,396	275,869,227	304,097,178	348,338,225	410,583,025	451,227,813	489,729,807	501,347,758
Bond Redemptions	15,037,000	14,652,000	15,156,000	11,970,000	12,365,000	12,340,000	12,650,000	13,345,000	15,465,000	15,565,000
Bonds	2,837,060	2,617,196	2,526,055	2,470,511	2,379,869	2,675,374	3,076,401	3,873,077	5,296,246	5,516,043
Pensions and Compensation	1,577,255	1,679,917	1,722,755	1,321,538	1,637,295	1,683,691	1,676,440	1,807,359	1,814,274	2,121,769
Contributions to Health Service System	14,746,648	14,566,478	13,717,098	15,865,840	15,599,540	17,357,338	30,588,991	45,476,131	44,553,021	41,454,287
Contributions to Retirement System	1,663,718	1,774,796	2,980,168	2,075,642	3,365,648	4,442,380	5,317,630	5,092,033	6,117,091	7,131,145
Security	100,184	216,219	314,894	140,408	155,229	134,703	534,014	190,103	355,304	599,127
Judgments and Losses										
Support of Public Service										
Enterprises:										
Port	6,991,929	7,359,122	9,252,971	9,556,617	9,610,407	17,890,780	19,209,091	18,551,096	17,197,155	27,241,777
Municipal Railway	7,455,434	11,267,287	9,989,286	11,493,351	15,210,710	10,163,719	8,531,754	12,844,177	18,235,274	24,854,398
Capital Additions From Revenues										
Capital Additions From Capital and Trust Funds	120,013	175,951	131,876	145,883	152,435	149,544	157,217	167,310	167,809	171,283
Civilian Defense										
Assessments, Other Civil Divisions	24,338	32,515	35,038	36,969	40,797	40,504	41,986	52,891	45,663	45,302
Miscellaneous, net										
Total Expenditures	\$260,204,546	\$284,087,207	\$307,028,537	\$330,945,986	\$363,779,720	\$415,206,258	\$492,366,549	\$553,532,990	\$599,074,944	\$626,629,880

Expenditures of Special State & Federal Grants not included in above (fully reimbursable)

*Donor's Credit

-Laguna Honda Hospital included in Hospital Expenditures

\$ 24,338

\$ 33,869,443

\$ 43,302

\$ 45,663

\$ 52,891

\$ 599,127

\$ 7,131,145

\$ 8,079,896

\$ 9,127,261

\$ 10,237,261

\$ 11,061,155

CITY AND COUNTY OF SAN FRANCISCO
WATER DEPARTMENT

STATEMENT OF OPERATIONS

Fiscal Years 1963-64 to 1972-73

FISCAL YEAR ENDED JUNE 30

	1964 (a)	1965 (a)	1966 (a)	1967 (a)	1968(a)	1969(a)	1970 (a)	1971 (a)	1972 (a)	1973 (a)
Water Sales	\$16,720,252	\$17,401,022	\$18,158,956	\$19,067,228	\$20,078,702	\$20,884,098	\$23,402,627	\$26,264,218	\$27,413,094	\$26,759,102
Operating Expenses:										
Provision for Depreciation	1,557,505	1,663,842	1,920,833	1,979,855	2,281,376	2,317,513	2,614,131	2,750,374	2,881,711	3,104,822
Other Operating Expenses	11,555,878	11,990,774	13,754,301	11,429,817	13,265,995	13,328,645	15,286,273	18,099,635	20,124,120	20,940,555
	13,113,383	13,654,616	15,675,334	13,409,672	15,547,371	15,646,158	17,900,404	20,850,009	23,005,831	24,045,377
Profit from Operations	3,606,869	3,746,406	2,483,622	5,657,556	4,531,331	4,937,940	5,502,223	5,414,209	4,407,263	2,713,725
Other Income	1,174,832	1,075,166	1,091,509	1,504,513	1,179,503	3,655,415	1,752,845	1,535,589	1,767,043	2,037,394
	4,781,701	4,821,572	3,575,131	7,162,069	5,710,834	8,593,355	7,255,068	6,949,798	6,174,306	4,751,119
Other Expenses:										
Interest on Bonded Debt	362,686	311,971	607,482	972,038	847,818	731,580	1,096,251	1,024,863	1,005,727	1,004,242
Other	105,402	75,172	70,302	70,198	101,488	76,267	98,909	75,757	202,409	157,376
	468,088	387,143	677,784	1,042,236	949,306	807,847	1,195,160	1,100,620	1,208,136	1,161,718
Net Income	\$ 4,313,613	\$ 4,434,429	\$ 2,897,347	\$ 6,119,833	\$ 4,761,528	\$ 7,785,508	\$ 6,059,908	\$ 5,849,178	\$ 4,966,170	\$ 3,589,401

(a) Continues Omitted.

CITY AND COUNTY OF SAN FRANCISCO
HETCH HETCHY WATER SUPPLY AND POWER PROJECT

STATEMENT OF OPERATIONS

Fiscal Years 1963-64 to 1972-73

FISCAL YEAR ENDED JUNE 30

	1964 (a)	1965 (a)	1966 (a)	1967 (a)	1968 (a)	1969 (a)	1970 (a)	1971 (a)	1972 (a)	1973 (a)
Power Sales	\$10,794,462	\$10,789,731	\$11,314,664	\$11,182,682	\$12,856,531	\$13,330,264	\$14,162,668	\$14,981,938	\$14,501,597	\$14,635,098
Standby Charge and Sale of Water to the S. F. Water Dept.	4,500,000	4,500,000	5,800,000	2,500,000	3,500,000	2,500,000	2,500,000	4,500,000	5,000,000	5,500,000
	15,294,462	15,289,731	17,114,664	13,682,682	16,356,531	15,730,264	16,662,668	19,481,938	19,501,597	20,135,098
Operating Expenses:										
Provision for Depreciation	2,532,078	2,607,717	2,727,764	2,726,083	3,074,563	3,110,829	3,240,410	3,424,734	3,428,870	3,501,544
Other Operating Expenses	4,999,389	6,562,805	5,901,480	5,819,471	4,947,611	5,879,793	5,479,963	7,103,434	6,864,005	9,268,558
	7,531,467	9,170,522	8,629,244	8,545,554	8,022,174	8,990,622	8,720,373	10,528,168	10,292,875	12,770,102
Profit from Operations	7,762,995	6,119,209	8,485,420	5,137,128	8,334,357	6,739,642	7,942,295	8,953,770	9,208,722	7,364,996
Other Income	73,273	72,887	138,546	89,633	223,871	737,381	89,828	370,824	458,129	154,377
	7,836,268	6,192,096	8,623,966	5,226,761	8,558,228	7,477,023	8,032,123	9,324,594	9,666,851	7,519,373
Other Expenses:										
Interest on Bonded Debt	1,237,935	1,125,097	1,162,413	613,764	1,649,826	1,523,155	1,542,860	1,456,992	1,338,339	1,203,104
Other	8,680	2,568	524	2,475	5,160	13,216	899,315	1,303,750	1,002,082	1,000,091
	1,246,615	1,127,665	1,162,937	616,239	1,654,986	1,536,371	2,442,175	2,760,742	2,340,421	2,263,195
Net Income	\$ 6,589,653	\$ 5,064,431	\$ 7,461,029	\$ 4,610,522	\$ 6,903,242	\$ 5,940,652	\$ 5,589,948	\$ 6,563,852	\$ 7,326,430	\$ 5,256,178

(a) Cents Omitted.

CITY AND COUNTY OF SAN FRANCISCO
MUNICIPAL RAILWAY

STATEMENT OF OPERATIONS

Fiscal Years 1963-64 to 1972-73

FISCAL YEAR ENDED JUNE 30

	1964 (a)	1965 (a)	1966 (a)	1967 (a)	1968 (a)	1969 (a)	1970 (a)	1971 (a)	1972 (a)	1973 (a)
Revenues	\$20,053,627	\$19,904,815	\$20,350,849	\$20,939,359	\$ 21,241,685	\$ 20,948,402	\$ 25,361,058	\$26,880,681	\$26,248,474	\$25,230,987
Operating Expenses:										
Depreciation	995,768	756,239	770,641	638,588	573,828	463,253	493,482	506,736	504,849	2,433,455
Other Operating Expenses	26,307,427	27,257,553	28,621,100		32,922,694	38,153,359	43,395,061	49,029,096	49,847,032	49,848,025
	27,303,195	28,013,792	29,391,741	30,843,007	33,496,522	38,616,612	43,888,543	49,935,832	50,351,881	52,281,480
Profit from Operations	7,249,568 *	8,108,977 *	9,040,892 *	9,903,648 *	12,254,837 *	17,668,210 *	18,527,485 *	23,055,151 *	24,103,407 *	27,050,493 *
Other Income	64,434	67,913	134,918	188,212	86,081	228,474	1,113,992	261,407	195,300	.....
	7,185,134 *	8,041,064 *	8,905,974 *	9,715,436 *	12,168,756 *	17,439,736 *	17,413,493 *	22,793,744 *	23,908,107 *	27,050,493 *
Other Expenses:										
Interest on Bonded Debt	7,383	320	.....	.....	.....	.....	.....	.....	.....	.....
Other	92,714	1,555	.....	.....	.....	.....	.....	.....	.....	102,117
	100,097	1,875	.....	.....	.....	.....	.....	.....	.....	102,117
Net Income	\$ 7,285,231 *	\$ 8,042,939 *	\$ 8,905,974 *	\$ 9,715,436 *	\$ 12,168,756 *	\$ 17,439,736 *	\$ 17,413,493 *	\$22,793,744 *	\$23,908,107 *	\$27,152,610 *

* Denotes Loss.

(a) Cuentas Omitidas.

CITY AND COUNTY OF SAN FRANCISCO
APPORT

STATEMENT OF OPERATIONS

Fiscal Years 1963-64 to 1972-73

FISCAL YEAR ENDING JUNE 30

	1964	1965	1966	1967	1968	1969	1970	1971	1972	1973
Revenues:										
Landing Charges	51,782,815	52,025,232	\$ 2,309,216	\$ 2,590,448	\$ 3,051,465	\$ 3,392,905	\$ 3,597,615	\$ 4,892,551	\$ 5,749,330	\$ 5,939,851
Rentals	2,126,858	2,587,001	3,039,662	3,492,133	3,482,131	3,568,699	3,861,786	3,993,896	4,043,996	4,227,594
Concessions and Other	3,460,972	4,433,664	6,106,064	7,131,392	8,004,803	8,878,585	9,666,591	9,486,015	9,887,867	10,445,475
	7,770,645	9,045,897	11,808,942	13,214,553	14,538,399	15,840,189	17,125,992	18,342,462	19,681,213	20,610,920
Operating Expenses:										
Depreciation	1,386,384	2,013,916	2,027,607	2,510,663	2,668,340	2,592,377	4,078,937	4,128,729	4,421,484	4,389,095
Other Operating Expenses	3,124,121	3,495,612	3,955,002	4,347,227	4,520,777	5,410,348	6,198,772	6,964,243	7,848,631	8,939,750
	4,508,505	5,509,528	5,985,609	6,857,890	7,189,017	8,002,725	10,277,709	11,092,972	12,270,115	13,328,845
Profit from Operations	3,262,140	3,536,369	5,823,333	6,356,063	7,349,382	7,837,464	6,848,283	7,249,490	7,411,098	7,282,075
Other Income	21,809			893	152,621	38,761	18,651			37,897
	3,283,949	3,536,369	5,823,333	6,357,556	7,502,003	7,876,225	6,866,934	7,249,490	7,411,098	7,319,972
Interest on Bonded Debt	506,748	519,334	629,156	635,070	629,058	982,071	1,706,097	2,642,618	2,806,053	888,581
Other Expenses	342,731	5,320	6,907							1,611,415
	849,479	524,654	636,063	635,070	629,058	982,071	1,706,097	2,642,618	2,806,053	2,499,996
Net Income	\$2,434,470	\$3,011,715	\$ 4,887,270	\$ 5,722,486	\$ 6,872,945	\$ 6,894,154	\$ 5,160,837	\$ 4,606,872	\$ 4,605,045	\$ 4,819,976

CITY AND COUNTY OF SAN FRANCISCO
PORT OF SAN FRANCISCO

STATEMENT OF OPERATIONS

Fiscal Years 1969-70[§] to 1972-73

Fiscal Year Ended June 30

	1970	1971	1972	1973
Revenues:				
Port Operations	\$ 3,983,070	\$ 3,731,924	\$ 3,173,379	\$ 3,291,606
Property Rentals	5,250,447	5,367,231	6,024,658	7,699,742
Other	900,648	1,033,437	1,018,424	1,403,215
	<u>10,134,165</u>	<u>10,132,592</u>	<u>10,216,461</u>	<u>12,394,563</u>
Operating Expenses:				
Depreciation	1,558,457	1,644,228	1,924,176	2,208,786
Other	6,627,531	7,335,379	6,339,557	7,142,230
	<u>8,185,988</u>	<u>8,979,607</u>	<u>8,263,733</u>	<u>9,351,016</u>
Profit from Operations:	<u>1,948,177</u>	<u>1,152,985</u>	<u>1,952,728</u>	<u>3,043,547</u>
Belt Railroad:				
Income	342,808	266,433	175,258	186,970
Expense	635,650	624,483	515,839	436,672
	<u>292,842*</u>	<u>358,050*</u>	<u>340,581*</u>	<u>249,702*</u>
Other Income:				
Interest	1,503,467	1,167,930	701,820	687,767
Other	115,297	271,800		
	<u>1,618,764</u>	<u>1,439,730</u>	<u>701,820</u>	<u>687,767</u>
Other Expenses:				
Interest on Bonded Debt	2,213,528	1,815,850	1,980,244	3,212,191
Other	7,174	7,718	31,541	17,584
	<u>2,220,702</u>	<u>1,823,568</u>	<u>2,011,785</u>	<u>3,229,575</u>
Net Income	<u>\$ 1,053,397</u>	<u>\$ 411,097</u>	<u>\$ 302,182</u>	<u>\$ 252,037</u>

* Denotes loss.

[§] Jurisdiction of the Port of San Francisco was turned over to the City and County of San Francisco by the State of California on February 7, 1969. Fiscal year 1969-70 was the first complete year of operations by San Francisco.

THE 1953 REPORT OF THE MANAGEMENT
OF THE NEW YORK CITY DEPARTMENT OF SOCIAL SERVICES
FOR THE YEAR 1953

Statement of Receipts

Source of Receipts	1953	1952	1951	1950	1949	1948	1947	1946	1945	1944	1943	1942	1941	1940	1939	1938	1937	1936	1935	1934	1933	1932	1931	1930	1929	1928	1927	1926	1925	1924	1923	1922	1921	1920	1919	1918	1917	1916	1915	1914	1913	1912	1911	1910	1909	1908	1907	1906	1905	1904	1903	1902	1901	1900	1899	1898	1897	1896	1895	1894	1893	1892	1891	1890	1889	1888	1887	1886	1885	1884	1883	1882	1881	1880	1879	1878	1877	1876	1875	1874	1873	1872	1871	1870	1869	1868	1867	1866	1865	1864	1863	1862	1861	1860	1859	1858	1857	1856	1855	1854	1853	1852	1851	1850	1849	1848	1847	1846	1845	1844	1843	1842	1841	1840	1839	1838	1837	1836	1835	1834	1833	1832	1831	1830	1829	1828	1827	1826	1825	1824	1823	1822	1821	1820	1819	1818	1817	1816	1815	1814	1813	1812	1811	1810	1809	1808	1807	1806	1805	1804	1803	1802	1801	1800	1799	1798	1797	1796	1795	1794	1793	1792	1791	1790	1789	1788	1787	1786	1785	1784	1783	1782	1781	1780	1779	1778	1777	1776	1775	1774	1773	1772	1771	1770	1769	1768	1767	1766	1765	1764	1763	1762	1761	1760	1759	1758	1757	1756	1755	1754	1753	1752	1751	1750	1749	1748	1747	1746	1745	1744	1743	1742	1741	1740	1739	1738	1737	1736	1735	1734	1733	1732	1731	1730	1729	1728	1727	1726	1725	1724	1723	1722	1721	1720	1719	1718	1717	1716	1715	1714	1713	1712	1711	1710	1709	1708	1707	1706	1705	1704	1703	1702	1701	1700	1699	1698	1697	1696	1695	1694	1693	1692	1691	1690	1689	1688	1687	1686	1685	1684	1683	1682	1681	1680	1679	1678	1677	1676	1675	1674	1673	1672	1671	1670	1669	1668	1667	1666	1665	1664	1663	1662	1661	1660	1659	1658	1657	1656	1655	1654	1653	1652	1651	1650	1649	1648	1647	1646	1645	1644	1643	1642	1641	1640	1639	1638	1637	1636	1635	1634	1633	1632	1631	1630	1629	1628	1627	1626	1625	1624	1623	1622	1621	1620	1619	1618	1617	1616	1615	1614	1613	1612	1611	1610	1609	1608	1607	1606	1605	1604	1603	1602	1601	1600	1599	1598	1597	1596	1595	1594	1593	1592	1591	1590	1589	1588	1587	1586	1585	1584	1583	1582	1581	1580	1579	1578	1577	1576	1575	1574	1573	1572	1571	1570	1569	1568	1567	1566	1565	1564	1563	1562	1561	1560	1559	1558	1557	1556	1555	1554	1553	1552	1551	1550	1549	1548	1547	1546	1545	1544	1543	1542	1541	1540	1539	1538	1537	1536	1535	1534	1533	1532	1531	1530	1529	1528	1527	1526	1525	1524	1523	1522	1521	1520	1519	1518	1517	1516	1515	1514	1513	1512	1511	1510	1509	1508	1507	1506	1505	1504	1503	1502	1501	1500	1499	1498	1497	1496	1495	1494	1493	1492	1491	1490	1489	1488	1487	1486	1485	1484	1483	1482	1481	1480	1479	1478	1477	1476	1475	1474	1473	1472	1471	1470	1469	1468	1467	1466	1465	1464	1463	1462	1461	1460	1459	1458	1457	1456	1455	1454	1453	1452	1451	1450	1449	1448	1447	1446	1445	1444	1443	1442	1441	1440	1439	1438	1437	1436	1435	1434	1433	1432	1431	1430	1429	1428	1427	1426	1425	1424	1423	1422	1421	1420	1419	1418	1417	1416	1415	1414	1413	1412	1411	1410	1409	1408	1407	1406	1405	1404	1403	1402	1401	1400	1399	1398	1397	1396	1395	1394	1393	1392	1391	1390	1389	1388	1387	1386	1385	1384	1383	1382	1381	1380	1379	1378	1377	1376	1375	1374	1373	1372	1371	1370	1369	1368	1367	1366	1365	1364	1363	1362	1361	1360	1359	1358	1357	1356	1355	1354	1353	1352	1351	1350	1349	1348	1347	1346	1345	1344	1343	1342	1341	1340	1339	1338	1337	1336	1335	1334	1333	1332	1331	1330	1329	1328	1327	1326	1325	1324	1323	1322	1321	1320	1319	1318	1317	1316	1315	1314	1313	1312	1311	1310	1309	1308	1307	1306	1305	1304	1303	1302	1301	1300	1299	1298	1297	1296	1295	1294	1293	1292	1291	1290	1289	1288	1287	1286	1285	1284	1283	1282	1281	1280	1279	1278	1277	1276	1275	1274	1273	1272	1271	1270	1269	1268	1267	1266	1265	1264	1263	1262	1261	1260	1259	1258	1257	1256	1255	1254	1253	1252	1251	1250	1249	1248	1247	1246	1245	1244	1243	1242	1241	1240	1239	1238	1237	1236	1235	1234	1233	1232	1231	1230	1229	1228	1227	1226	1225	1224	1223	1222	1221	1220	1219	1218	1217	1216	1215	1214	1213	1212	1211	1210	1209	1208	1207	1206	1205	1204	1203	1202	1201	1200	1199	1198	1197	1196	1195	1194	1193	1192	1191	1190	1189	1188	1187	1186	1185	1184	1183	1182	1181	1180	1179	1178	1177	1176	1175	1174	1173	1172	1171	1170	1169	1168	1167	1166	1165	1164	1163	1162	1161	1160	1159	1158	1157	1156	1155	1154	1153	1152	1151	1150	1149	1148	1147	1146	1145	1144	1143	1142	1141	1140	1139	1138	1137	1136	1135	1134	1133	1132	1131	1130	1129	1128	1127	1126	1125	1124	1123	1122	1121	1120	1119	1118	1117	1116	1115	1114	1113	1112	1111	1110	1109	1108	1107	1106	1105	1104	1103	1102	1101	1100	1099	1098	1097	1096	1095	1094	1093	1092	1091	1090	1089	1088	1087	1086	1085	1084	1083	1082	1081	1080	1079	1078	1077	1076	1075	1074	1073	1072	1071	1070	1069	1068	1067	1066	1065	1064	1063	1062	1061	1060	1059	1058	1057	1056	1055	1054	1053	1052	1051	1050	1049	1048	1047	1046	1045	1044	1043	1042	1041	1040	1039	1038	1037	1036	1035	1034	1033	1032	1031	1030	1029	1028	1027	1026	1025	1024	1023	1022	1021	1020	1019	1018	1017	1016	1015	1014	1013	1012	1011	1010	1009	1008	1007	1006	1005	1004	1003	1002	1001	1000	999	998	997	996	995	994	993	992	991	990	989	988	987	986	985	984	983	982	981	980	979	978	977	976	975	974	973	972	971	970	969	968	967	966	965	964	963	962	961	960	959	958	957	956	955	954	953	952	951	950	949	948	947	946	945	9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CITY AND COUNTY OF SAN FRANCISCO
 ADDITIONS TO PROPERTY BY SOURCE OF FUNDS
 FOR THE TEN YEAR PERIOD - JULY 1, 1963 TO JUNE 30, 1973

SOURCE OF FUNDS	Total	Land	Buildings Structures & Improvements	Equipment
CURRENT FUNDS				
General Fund	\$ 40,039,275.53	\$ 1,066,000.25	\$ 23,007,779.65	\$15,874,405.63
Capital Improvement	269,447.21	4,175.20	265,272.01	
Legion of Honor	33,535.57		28,625.66	4,910.01
De Young Museum	263,528.51		97,154.72	166,373.79
Library	6,272,805.76	81,437.54		6,191,368.22
Publicity & Advertising	7,788.08		7,788.08	
Pacific Yacht Harbor	255,493.25		260,560.41	5,933.84
Recreation and Park	4,040,088.82	1,370,032.55	1,865,843.16	804,213.11
Special Reserve-S.F.U.L.S.D.	14,717,139.67	1,852,551.27	11,659,140.10	205,448.30
S.F.U.L.S.D.	7,163,598.45	42,478.44	4,50,076.04	6,681,042.65
Children Centers	143,861.71			143,861.71
Development Center for Handicapped Minors	182,006.10	15,250.00	146,219.20	21,536.90
County School Service	5,289.14			
S.F.U.L.S.D.-Special Reserve	2,901,824.72	114,332.00	2,442,331.06	435,181.66
S.F.U.L.S.D.	2,471,423.13		646,254.36	1,825,168.77
Special Gas Tax Improvement	30,069,658.50	13,041,562.00	17,018,405.41	1,500,000.00
Special Road Improvement	18,008,140.61	955,480.20	16,475,501.11	579,159.30
War Memorial	172,040.20		178,104.03	44,936.17
Light, Heat and Power	9,750.13			9,750.13
Employees' Retirement System (Current)	0,143.54			0,143.54
Health Service Current	3,435.48			3,435.48
Off Street Parking	3,185,785.00	1,972,382.09	1,137,054.74	71,348.16
Total Current Funds	\$130,712,620.48	\$20,466,468.43	\$ 76,605,110.64	\$33,742,670.61
CAPITAL FUNDS				
Real Property-General City	\$ 2,514,768.00*	\$ 1,210,221.54*	\$ 804,546.45*	
Real Property-S.F.U.L.S.D.	434,982.34	27,128.18	181,815.21	76,042.05
1933 Powers				
1944 Sewers	401,661.73	60.00	401,601.73	
1944 Juvenile Court				
1947 Street Improvement	252,702.20	61,000.00	190,702.20	1,400.00
1947 Recreation	65,470.35		62,430.77	2,862.43
1948 Sewer Treatment	80,074.21	30.00	80,044.21	
1948 Schools	180,790.55		180,790.55	
1951 Pipe House	16,431.56		16,431.56	
1954 Janitor House	2,048,485.21	204,065.52*	3,153,408.00	57,36*
1954 Sewers	545,015.60	247,018.69	298,035.76	4,662.24
1954 S.F. General Hospital				
1954 Exhibition Hall				
1954 Recreation	1,405,760.11		1,505,760.11	
1955 Playground & Recreation Center	417,420.78	25,365.00	475,485.38	16,511.40
1955 Hall of Justice	812,182.81		704,054.78	17,278.03
1956 Schools	3,309,105.20		3,388,556.10	8,549.10
1958 Recreation	104,112.14		198,112.14	
1959 Civic Auditorium	4,779,814.71		4,779,814.71	76,065.88
1959 Palace of Fine Arts	1,622,144.80		1,672,144.80	
1959 De Young Museum	2,684,132.06		2,468,771.76	215,360.30
1960 Sewers	10,708,436.40	998.86	10,703,303.33	5,136.06
1961 Port Funston				
1964 Schools	30,021,846.80	143,646.20	29,377,042.14	646,209.46
1964 Low Cabin Ranch	1,379,301.30		1,271,678.40*	55,622.90
1964 Street Lighting	4,909,324.71		4,000,329.71	909,000.00
1964 Pipe House	3,116,096.26		3,040,713.73	66,382.03
1964 Sewerage & Sewage				
Disposal	11,667,659.30		11,644,453.10	23,206.20
1965 Medical Center	22,432,863.42	2,400.02	22,165,804.38	64,659.02
1968 Sewerage & Water Pollution Control	8,491,928.04		8,486,456.07	5,471.97
1968 Market St. Reconstruction & Improvement	4,005,465.52		4,001,289.40	4,176.12
1970 Water Pollution Control	3,395,461.43		3,381,050.04	4,582.39
1971 Fire Protection	217,557.17			
Total Capital Funds	\$117,510,042.56	\$ 1,211,604.11*	\$117,555,468.57	\$ 1,125,778.10
TRUST FUNDS				
Wall V. O'Connell Bequest	\$ 494.63			\$ 494.63
Main Highway	7,367.87		7,367.87	
Retirement System	8,533.34			8,533.34
Steinhilber Bequest				
Plata County Fair	2,200.03			2,200.03
Levi Strauss Foundation				
Charm Park Archery Range	5,457.83		5,457.83	
Walter P. Johnson Trust	2,783,878.10		2,783,878.10	
Stirling Bequest				
Reinhart Bequest	20,123.56			20,123.56
Health Service Trust	1,250.14			1,250.14
Palace of Fine Arts	2,708,080.02		2,708,080.02	
Sherman Bequest	18,366.73		18,366.73	
Walter I. W. Foundation-School	1,152.50			1,152.50
Fund for Advancement of Education - School	580.07*			580.07*
Anna Helen Trust	67,158.65		5,000,363.24	67,158.65
Other Trusts	6,264,386.41			1,245,033.37
Total Trust Funds	\$ 11,404,078.23		\$ 10,123,412.88	\$ 1,321,665.85
TOTAL SOURCE OF FUNDS	\$259,217,550.77	\$19,653,204.32*	\$204,334,302.09	\$35,739,864.36

* Denote Decreases

ASSESSMENT ROLLS
Fiscal Years 1964-65 to 1973-74

Fiscal Years 1964-65 to 1973-74					Total Assessed Value Subject To City & Co. Ad Valorem		Solvent Credits Taxed @ 10¢ per \$100	Total Roll
	Tand	Improvements	Tangible Personal Property	Veterans' Welfare and Other Exemptions		Rate		
1964-65 Unimproved - City and County Assessor - (unimproved - City and County Assessor - (unimproved - State Board of Equalization))	26,615,745	842,183,095	316,927,404	2,317,450	314,609,954	8.82	620,499,010	935,108,964
1964-65 Improved - City and County Assessor - (improved - City and County Assessor - (improved - State Board of Equalization))	16,085,440	104,781,960	63,478,020	80,493,848	1,142,108,480	9.23	26,133,530	210,478,970
Total	\$392,761,185	\$946,965,075	\$390,208,912	\$88,811,298	\$1,641,063,874		\$646,632,540	\$2,287,696,414
1965-66 Unimproved - City and County Assessor - (unimproved - City and County Assessor - (unimproved - State Board of Equalization))	26,680,480	879,413,113	322,537,585	2,416,360	320,121,225	9.23	636,777,599	956,898,824
1965-66 Improved - City and County Assessor - (improved - City and County Assessor - (improved - State Board of Equalization))	15,989,160	109,944,470	64,681,760	89,659,783	1,177,774,870	10.168	64,332,440	254,947,830
Total	\$392,560,640	\$989,757,583	\$398,260,205	\$92,076,143	\$1,688,511,485		\$701,110,039	\$2,389,621,524
1966-67 Unimproved - City and County Assessor - (unimproved - City and County Assessor - (unimproved - State Board of Equalization))	362,331,205	915,841,819	10,883,610	92,571,536	1,216,485,078	10.61		2,126,485,078
1966-67 Improved - City and County Assessor - (improved - City and County Assessor - (improved - State Board of Equalization))	16,100,004	112,244,770	64,769,700		1,190,404,530	10.61	70,333,620	263,438,150
Total	\$398,431,209	\$1,028,086,589	\$343,549,560	\$94,537,689	\$1,763,519,725		\$749,800,003	\$2,513,319,728
1967-68 Unimproved - City and County Assessor - (unimproved - City and County Assessor - (unimproved - State Board of Equalization))	4,444,224	8,585,941	178,683,666	1,234,496	190,479,335	10.61	759,768,906	950,248,241
1967-68 Improved - City and County Assessor - (improved - City and County Assessor - (improved - State Board of Equalization))	201,985,682	1,082,690,820	70,736,596	95,225,932	1,789,787,166	8.80	83,134,710	1,789,787,166
Total	\$1,962,610	105,948,680	61,708,930		187,260,140	8.80		270,394,850
Total	\$506,032,516	\$1,197,225,441	\$310,729,112	\$96,460,428	\$2,167,526,641		\$842,903,616	\$3,010,430,257
1968-69 Unimproved - City and County Assessor - (unimproved - City and County Assessor - (unimproved - State Board of Equalization))	2,991,821	40,053,752	165,415,471	1,157,316	207,305,228	8.80	519,286	207,824,514
1968-69 Improved - City and County Assessor - (improved - City and County Assessor - (improved - State Board of Equalization))	16,425,154	1,113,387,503	55,308,502	100,466,321	1,887,546,836	10.23		1,887,546,836
Total	\$18,416,975	\$1,153,441,255	61,441,370		189,852,360			189,852,360
Total	\$516,675,615	\$1,262,436,061	\$282,816,123	\$121,941,623	\$2,195,304,364		\$519,286,512	\$2,195,825,650
1969-70 Unimproved - City and County Assessor - (unimproved - City and County Assessor - (unimproved - State Board of Equalization))	3,105,187	47,532,327	173,489,249	14,650,861	209,626,852	10.23		209,626,852
1969-70 Improved - City and County Assessor - (improved - City and County Assessor - (improved - State Board of Equalization))	16,247,682	1,151,815,508	50,813,142	162,500,791	1,778,175,938	12.29		1,778,175,938
Total	18,398,150	1,199,347,835	61,441,370		191,283,100	12.29		191,283,100
Total	\$570,515,019	\$1,311,784,892	\$285,203,611	\$177,440,352	\$2,179,285,970		\$2,179,285,970	
1970-71 Unimproved - City and County Assessor - (unimproved - City and County Assessor - (unimproved - State Board of Equalization))	4,250,244	52,914,391	188,988,069	31,055,281	215,096,471	12.29		215,096,471
1970-71 Improved - City and County Assessor - (improved - City and County Assessor - (improved - State Board of Equalization))	7,191,881	1,177,738,579	49,693,517	166,986,931	1,799,628,754	12.82		1,799,628,754
Total	22,040,880	1,192,925,030	62,624,260		197,589,940	12.82		197,589,940
Total	\$765,474,543	\$1,543,577,000	\$301,305,836	\$198,402,214	\$2,212,315,165		\$2,212,315,165	
1971-72 Unimproved - City and County Assessor - (unimproved - City and County Assessor - (unimproved - State Board of Equalization))	6,534,446	59,343,589	184,183,362	26,951,813	223,080,384	12.82		223,080,384
1971-72 Improved - City and County Assessor - (improved - City and County Assessor - (improved - State Board of Equalization))	754,525,080	1,212,739,281	45,758,787	179,208,360	1,833,814,788	12.73		1,833,814,788
Total	22,113,050	1,177,989,610	61,072,140		201,174,880	12.73		201,174,880
Total	\$783,172,576	\$1,290,043,260	\$291,044,289	\$206,160,173	\$2,258,070,052		\$2,258,070,052	
1972-73 Unimproved - City and County Assessor - (unimproved - City and County Assessor - (unimproved - State Board of Equalization))	6,187,891	58,429,025	199,799,419	29,785,753	234,630,582	12.73		234,630,582
1972-73 Improved - City and County Assessor - (improved - City and County Assessor - (improved - State Board of Equalization))	778,882,415	1,267,983,196	38,793,235	182,920,439	1,902,648,407	12.59		1,902,648,407
Total	22,108,000	123,994,180	60,888,430	156	206,990,454	12.59		206,990,454
Total	\$807,178,306	\$1,450,216,401	\$299,481,084	\$212,706,348	\$2,344,269,443		\$2,344,269,443	
1973-74 Unimproved - City and County Assessor - (unimproved - City and County Assessor - (unimproved - State Board of Equalization))	6,806,709	60,683,150	211,918,599	44,764,168	234,724,290	12.59		234,724,290
1973-74 Improved - City and County Assessor - (improved - City and County Assessor - (improved - State Board of Equalization))	811,170,031	1,324,237,881	48,418,530	297,005,448	1,886,820,994	12.55		1,886,820,994
Total	25,885,980	127,000,820	61,765,260		209,541,980	12.25		209,541,980
Total	\$843,742,607	\$1,507,017,851	\$322,102,389	\$341,769,616	\$2,331,087,264		\$2,331,087,264	

(1) Includes \$204,229,596 of Homestead and Business Inventory Exemptions. The amount of tax revenue lost due to these exemptions is reimbursed to the State of California.

(1)

CITY AND COUNTY OF SAN FRANCISCO

DETAIL OF TAX RATES

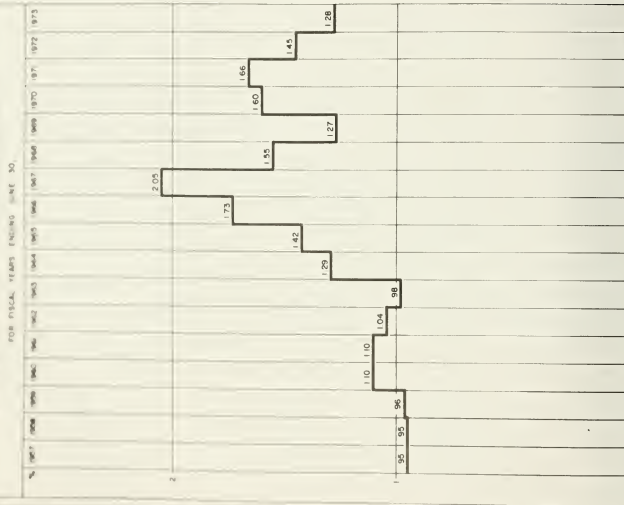
Fiscal Years 1964-65 to 1973-74

	1964-65	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74
General Fund - Charter Limit \$1.65	\$1,347,489	\$1,329,611	\$1,397,850	\$ 7,207,38	\$ 7,179,69	\$ 7,863,98	\$ 10,293,0	\$ 2,300,75	\$ -0-	\$ -0-
General Fund - Other Necessary Expenditures Not Limited	3,014,157	3,434,510	3,511,469	3,131,534	3,225,848	3,575,444	4,157,511	5,244,853*	5,170,080*	4,878,408*
Recreation and Park .....	.497,869	.533,017	.510,719	.433,667	.472,620	.528,329	.571,177	.598,179	.560,000	.592,068
Library .....	.169,163	.175,977	.202,341	.174,714	.181,993	.202,734	.208,552	.212,419	.216,428	.208,853
Fine Arts Museums of San Francisco**	.054,896	.060,186	.069,824	.064,214	.066,626	.075,402	.078,783	.080,011	.075,649	.087,197
Employees' Retirement .....	.764,044	.791,113	.793,601	.699,597	.761,022	1,391,142	1,439,035	.056,586*	.145,244*	.155,080*
Lighting of Public Streets and Buildings .....	.103,132	.122,648	.115,628	.097,465	.097,091	.098,570	.100,973	.053,163	.059,361	.067,395
Special Election .....	.000,373									
War Memorial .....	.026,662	.025,737	.066,787	.031,185	.036,630	.035,180	.025,964	.028,678	.025,928	.031,465
Municipal Railway .....	.439,105	.551,329	.520,391	.440,116	.858,609	.892,687	.845,309	.736,448	.979,912	.929,672
Bay Area Air Pollution Control District Assessment .....	.009,130	.011,565	.010,978	.009,827	.010,839	.011,554	.012,814	.021,672	.018,010	.020,572
Total for City and County of San Francisco	6,425,647	7,034,006	7,199,588	5,803,057	6,429,447	7,597,440	7,543,048	7,26,2084	7,248,612	6,970,710
S. F. Unified School District	2,634,353	2,829,934	2,993,412	2,642,943	3,302,553	4,087,560	4,029,669	4,106,344	4,032,816	4,020,663
S. F. Community College District .....							.682,283	.657,572	.657,572	.649,627
S. F. Bay Area Rapid Transit District ....	.170,000	.308,000	.417,000	.354,000	.498,000	.605,000	.565,000	.704,000	.651,000	.609,000
Total Tax Rate	\$9.23	\$10.168	\$10.61	\$8.80	\$10.23	\$12.29	\$12.82	\$12.73	\$12.59	\$12.25

*Retirement contribution included in fund rate. This rate includes only workman compensation requirements of the General Fund and other requirements which may not be chargeable to any specific fund.

**The Fine Arts Museums of San Francisco is a consolidation of the California Palace of the Legion of Honor and the de Young Memorial Museum.

CITY AND COUNTY OF SAN FRANCISCO PERCENTAGES OF TAX DELINQUENCY FOR FISCAL YEARS ENDING JUNE 30. | FISCAL YEAR | PERCENTAGE | |-------------|------------| | 1945-46 | 2.05 | | 1946-47 | 2.05 | | 1947-48 | 2.05 | | 1948-49 | 2.05 | | 1949-50 | 2.05 | | 1950-51 | 2.05 | | 1951-52 | 2.05 | | 1952-53 | 2.05 | | 1953-54 | 2.05 | | 1954-55 | 2.05 | | 1955-56 | 2.05 | | 1956-57 | 2.05 | | 1957-58 | 2.05 | | 1958-59 | 2.05 | | 1959-60 | 2.05 | | 1960-61 | 2.05 | | 1961-62 | 2.05 | | 1962-63 | 2.05 | | 1963-64 | 2.05 | | 1964-65 | 2.05 | | 1965-66 | 2.05 | | 1966-67 | 2.05 | | 1967-68 | 2.05 | | 1968-69 | 2.05 | | 1969-70 | 2.05 | | 1970-71 | 2.05 | | 1971-72 | 2.05 | | 1972-73 | 2.05 |



N. B. COOPER, CONTROLLER

CITY AND COUNTY OF SAN FRANCISCO
 AMOUNTS OF TAX DELINQUENCY REPORTED FOR
 FISCAL YEARS 1945-46 TO 1972-73

FISCAL YEAR	AMOUNT OF LEVY	UNCOLLECTED AT JUNE 30, AMOUNT	PERCENTAGE UNCOLLECTED AT JUNE 30, 1973
1945-46	\$ 41,184,328	\$ 380,975	.93
1946-47	47,374,328	457,779	.97
1947-48	51,718,354	602,680	1.17
1948-49	60,779,270	689,631	1.10
1949-50	60,838,563	567,617	.93
1950-51	66,522,057	537,393	.81
1951-52	70,596,215	561,703	.80
1952-53	69,947,162	539,325	.77
1953-54	76,082,542	716,632	.94
1954-55	84,599,028	724,632	.86
1955-56	89,391,123	799,165	.89
1956-57	93,280,375	882,671	.95
1957-58	99,185,664	942,150	.95
1958-59	103,591,182	992,948	.96
1959-60	111,875,051	1,232,046	1.10
1960-61	121,671,012	1,333,620	1.10
1961-62	124,811,125	1,294,666	1.04
1962-63	141,781,663	1,387,550	.98
1963-64	142,253,147	1,842,177	1.29
1964-65	151,292,591	2,142,509	1.42
1965-66	170,255,714	2,949,719	1.73
1966-67	195,991,344	4,010,095	2.05
1967-68	196,184,232	3,037,020	1.55
1968-69	222,209,593	2,831,440	1.27
1969-70	263,133,293	4,201,395	1.60
1970-71	281,186,821	4,665,084	1.66
1971-72	287,089,538	4,164,120	1.45
1972-73	296,343,663	3,804,631	1.28

CITY AND COUNTY OF SAN FRANCISCO

TAX YIELD

FISCAL YEAR 1973-74

	<u>VALUATION</u>	<u>TAX YIELD</u>	<u>RATE PER \$100</u>
Taxes on Property Assessed by City and County:			
Real Estate, Improvements, and Secured Personal Property:			
Real Estate and Improvements	\$2,135,407,912		
Personal Property	<u>48,418,530</u>		
	2,183,826,442		
Less Exemptions	<u>297,005,448</u>		
Total	<u>\$1,886,820,994</u>	\$231,134,288.72	\$12.25
Unsecured Property			
Real Estate and Improvements	67,569,859		
Personal Property	<u>211,918,599</u>		
	279,488,458		
Less Exemptions	<u>44,764,168</u>		
Total	<u>\$ 234,724,290</u>		
Total Assessed by City and County Assessor	<u>\$2,121,545,284</u>	\$ 29,589,829.41	\$12.59
Taxes on Property Assessed by State Board of Equalization			
Real Estate and Improvements	147,776,720		
Personal Property	<u>61,765,260</u>		
Less Exemptions			
Total Assessed by State Board of Equalization	<u>\$ 209,541,980</u>	<u>\$ 25,668,892.36</u>	\$12.25
Total of Above Assess- ments	<u>\$2,331,087,264</u>		
Total Tax Yield		<u>\$286,393,010.49</u>	

Includes tax levy for San Francisco Unified School (\$4.021) and Community College Districts (\$.6496), and the Bay Area Rapid Transit District (\$.609).

STATEMENT OF BONDING CAPACITY OF SAN FRANCISCO
AS AT JUNE 30, 1973

(Excluding Bonding Capacity of the S.F. Unified School District
and the S.F. Community College District (1))

Maximum Limit:

12% of the 1973-74 Assessment Roll (\$2,540,316,860) \$304,838,023

Bonded Debt Limit June 30, 1973:

Total	\$391,464,000	
Exempt from 12% Limit		
Exemptions per Note No. 2	\$281,984,000	
Community College Revenue Bonds	540,000	
	282,524,000	108,940,000
Limit of Future Bond Sales (Subject to 12% Limit)		\$195,898,023

Unissued Bonds June 30, 1973:

	<u>Subject to 12% Limit</u>	<u>Exempt from 12% Limit</u>	<u>Total</u>
1909 India Basin	\$	\$ 147,000*	
1913 Third S.F. Seawall		550,000*	
1964 Street Lighting	1,645,000		
1964 Sewerage & Sewage Disposal		2,128,000	
1967 Airport		31,900,000	
1968 Market Street Reconstruction	8,025,000		
1968 Sewerage & Water Pollution Control		3,755,000	
1970 Water Pollution Control		49,800,000	
1971 Fire Protection	2,341,000		
1971 Harbor Improvement		14,000,000	
1972 Street and Parkway Lighting	4,550,000		
1972 Sewer System		25,000,000	
1972 Water System		39,000,000	
	\$16,561,000	\$166,280,000	\$182,841,000

- (1) The City and County of San Francisco is a municipal corporation known by name as San Francisco. It performs all functions of a City and County.

The San Francisco Unified School District and the San Francisco Community College District are the only school districts in San Francisco with geographic boundaries coterminous with the boundaries of San Francisco.

The Education Code of the State of California, Section 21702 provides that the total amount of bonds issued shall not exceed 5 percent of the taxable property of the district as shown by the last equalized assessment roll, which percentage would then be 10% for the San Francisco Unified School District which comprises the elementary and high school districts, and 5 percent for the San Francisco Community College District. To date the School Districts have issued \$550,000 in revenue bonds.

- * Chapter 70 of the 1972 regular session of the State Legislature permits the cancellation of these unissued bonds.

STATEMENT OF BONDING CAPACITY OF SAN FRANCISCO
AS AT JUNE 30, 1973 (Continued)

All of items herein designated "School Bonds" are general obligation bonds of the City and County of San Francisco for school purposes.

- (2) Section 6.401 of the Charter provides that the bonded debt shall not exceed 12% of the assessed value of all real and personal property in the City and County, subject to the City and County taxes, exclusive of bonds issued for the following purposes:
- (a) For water supply, storage or distribution purposes.
 - (b) For financing public improvements pursuant to Section 7.302 of the Charter, the cost of which is to be assessed against private property benefited thereby. (None Issued)
 - (c) The acquisition, construction, or completion of air transport facilities.
 - (d) Sewers and sewerage collection, disposal and treatment and water pollution control, provided however that any bonded indebtedness for sewers, and sewerage collection, disposal and treatment, and for water pollution control, must be financed by sewerage service charges for the foregoing exclusion to be applicable. Ordinance No. 212-71 of the City and County of San Francisco has enacted a sewer service charge to become operative on and after September 1, 1971.
 - (e) For the acquisition, construction, improvement and development of the harbor of San Francisco.
 - (f) For the construction, completion or acquisition of foreign trade zones.

**ANNUAL BOND INTEREST AND REDEMPTION REQUIREMENTS
BASED ON BONDED INDEBTEDNESS AT JUNE 30, 1973**

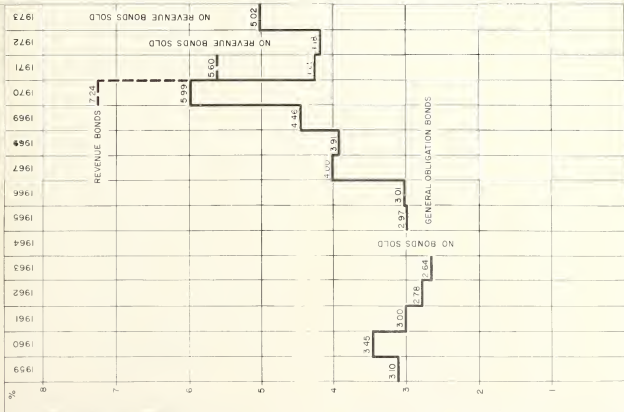
General City Including
S. F. Unified School District Public Service Enterprises

FISCAL YEAR	GRAND TOTALS	TOTAL BOND REDEMPTION	BOND INTEREST	TOTAL BOND REDEMPTION	BOND INTEREST
1973-74	\$ 49,202,653	\$ 20,503,153	\$ 5,693,153	\$ 28,699,500	\$ 10,675,500
1974-75	46,302,818	18,108,304	5,093,304	28,194,514	9,970,514
1975-76	44,412,068	17,064,774	4,554,774	27,347,234	9,258,234
1976-77	42,024,340	16,145,906	4,060,906	25,878,434	8,559,434
1977-78	39,319,153	14,399,498	3,594,498	24,919,655	7,895,655
1978-79	36,404,054	13,666,265	3,156,265	22,737,789	7,243,789
1979-80	35,083,887	13,219,655	3,000,000	21,864,232	6,595,232
1980-81	33,167,208	12,142,525	2,885,000	21,054,683	6,233,683
1981-82	30,917,464	11,345,335	2,885,335	19,572,129	5,980,684
1982-83	28,944,560	10,226,470	2,480,000	18,712,129	5,378,129
1983-84	25,325,228	8,616,575	1,760,000	16,708,090	4,774,090
1984-85	22,230,498	7,246,535	1,506,575	16,708,090	4,774,090
1985-86	17,742,994	5,612,510	1,056,575	14,983,963	3,635,963
1986-87	13,522,902	2,128,430	387,510	12,130,484	3,138,484
1987-88	11,241,776	1,030,690	148,430	11,394,472	2,784,472
1988-89	7,152,927	23,350	60,690	10,211,086	2,456,086
1989-90	6,756,370	23,050	13,350	7,129,577	2,174,577
1990-91	6,089,312	22,750	13,050	6,733,320	1,963,320
1991-92	5,156,378	22,450	12,750	6,066,562	1,776,562
1992-93	3,417,283	22,150	12,450	5,133,928	1,613,928
1993-94	3,262,732	21,850	12,150	3,395,133	1,470,133
1994-95	3,174,659	21,550	11,850	3,240,882	1,385,882
1995-96	2,721,886	21,250	11,550	3,153,109	1,308,109
1996-97	2,643,900	20,950	11,250	2,700,636	1,240,636
1997-98	2,202,475	20,650	10,950	2,622,950	1,162,950
1998-99	2,148,775	20,350	10,650	2,181,825	1,096,825
1999-00	9,334,975	20,050	10,350	2,128,425	1,043,425
2000-01	1,222,875	24,750	10,050	9,314,925	714,925
2001-02	6,316,362	24,300	9,750	1,198,125	398,125
2002-03			9,300	6,292,062	217,062
2018-19	1,216,050	380,050	295,000	836,000	800,000
	\$538,658,562	\$172,146,125	\$135,065,000	\$366,512,437	\$256,399,000
			\$37,081,125	\$110,113,433	\$110,113,433

Unsold Bonds at June 30, 1973 in the amount of \$182,841,000.00 are not included.

AVERAGE NET INTEREST COST

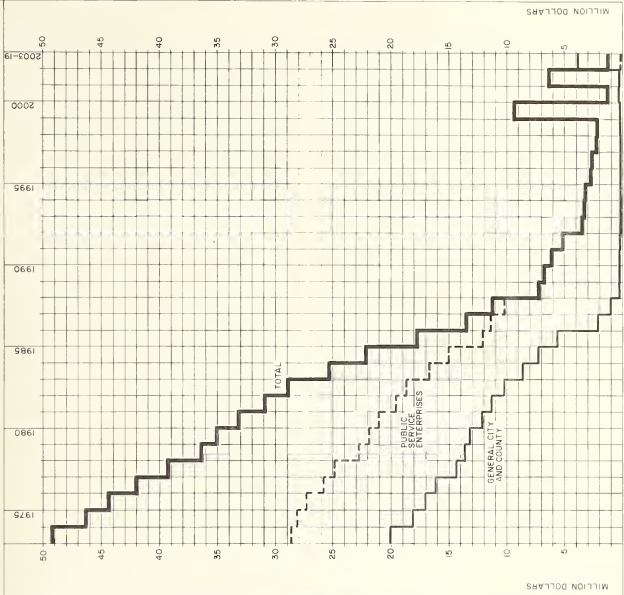
ON BONDS SOLD DURING FISCAL YEARS ENDING JUNE 30,



N. B. COOPER, CONTROLLER

BOND INTEREST AND REDEMPTION

REQUIREMENTS FOR FISCAL YEARS ENDING JUNE 30,



N. B. COOPER, CONTROLLER

CITY AND COUNTY OF SAN FRANCISCO
BOND INTEREST AND PRINCIPAL
FUNDING STATEMENT
Fiscal Years 1964-65 to 1974

	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974
SCHEDULE OF REVENUES										
General City Issues										
Taxes	\$ 345,000	\$ 330,210	\$ 315,000	\$ 315,000	\$ 315,000	\$ 315,000	\$ 315,000	\$ 315,000	\$ 315,000	\$ 315,000
Capital Improvement Fund	16,901,250	17,964,000	14,837,225	15,219,869	15,159,312	10,662,100	17,764,604	17,200,180	512,442,221	15,506,500
Power Service Fund								4,700,000	6,427,384	5,800,000
Surplus	160,000									
	\$17,346,250	18,294,210	15,152,225	15,219,869	15,159,312	10,662,100	17,764,604	21,900,180	21,879,815	21,306,500
Public Service Enterprises:										
Utility Earnings										
Water and Hetch Hetchy Projects	10,732,198	10,299,595	10,899,042	12,171,149	13,692,535	13,693,513	12,222,311	12,431,975	11,976,135	13,888,663
Municipal Railway										
Airport	3,404,552	3,246,519	2,696,175	3,196,500	4,635,825	6,547,138	8,232,625	9,041,650	8,475,400	11,371,690
Harbor						3,912,917	3,830,491	4,957,149	5,582,400	6,764,950
Capital Improvement Fund (via Utility)	143,065									
Taxes (via Utility)										
	\$14,279,815	13,546,114	13,535,217	15,367,649	18,328,360	24,153,568	24,785,427	26,430,774	26,033,935	32,025,303
Total Budgeted Requirements	\$31,626,065	\$31,840,324	\$28,687,442	\$30,587,518	\$33,487,672	\$40,815,767	\$42,550,031	\$48,330,924	\$47,913,540	\$53,421,806

Office of the Controller

**REPORT ON EXAMINATION
FOR THE FISCAL YEAR ENDED**

JUNE 30, 1973

MAIN LAFRENTZ & Co.

CERTIFIED PUBLIC ACCOUNTANTS

OFFICES OR ASSOCIATED FIRMS
U. S. A. CANADA, MEXICO, SOUTH AMERICA
GREAT BRITAIN, EUROPE, MIDDLE EAST
AUSTRALIA, AFRICA

ONE CALIFORNIA STREET
SAN FRANCISCO 94111
415-981-2156

The Honorable Board of Supervisors
City and County of San Francisco

In accordance with Resolution No. 58-573 of the Board of Supervisors (augmented by a supplemental contract authorized by the Controller, on which we reported separately on November 13, 1973) we have examined the financial statements identified as Exhibits A, B and C on the preceding table of contents of the City and County of San Francisco for the year ended June 30, 1973.

Our examination, which included the accounts, records and transactions of the office of the Controller and other departments selected by us after a review of the examinations by the General Audits Division, was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. Included among funds reported by the Controller are those pertaining to the San Francisco Unified School District, the San Francisco Community College District, and the Employees' Retirement System which were or are being audited by other certified public accountants. Our examination of such funds was limited to the Controller's accountability for them. As prescribed by Section 3.303 of the City Charter, the audit of the Office of the Treasurer was made by the Controller's General Audits Division whose report thereon has been furnished to us and our opinion expressed herein, insofar as it relates to the amounts included for the Treasurer, is based solely on the report of the General Audits Division.

We continued to find the internal control over traffic citations of the Municipal Courts and the billing and cost accounting system at the San Francisco General Hospital to be inadequate. It was not possible to make meaningful tests of revenues under the existing systems. New systems are being installed to remedy these internal control inadequacies.

Independent examination of the Employees' Retirement System by other certified public accountants, for the year ended June 30, 1973 was not complete as of the date of this report. Completion of this examination could result in adjustments of financial statements and accounts pertaining thereto.

In our opinion, subject to the limitations described in the two preceding paragraphs, and based upon our examination and the report of the General Audits Division, such financial statements present fairly the financial position of the City and County of San Francisco (exclusive of Public Service Enterprises)

at June 30, 1973, revenues and expenditures of current funds and changes in the unappropriated balances of current funds for the year then ended in conformity with generally accepted accounting principles, except as indicated in the footnote on accounting practices with respect to property, plant and equipment and revenues and expenditures arising from Federal and State grants, applied on a basis consistent with that of the preceding year.

Main Report 2-3

San Francisco, California
December 31, 1973

THE CITY AND COUNTY OF SAN FRANCISCO
 DEPARTMENT OF THE COMPTROLLER
 OFFICE OF THE COMPTROLLER
 1000 MARKET STREET, SUITE 1000
 SAN FRANCISCO, CALIFORNIA 94102

1988-89, 1989

Account	1988-89		1989		1988-89		1989		1988-89		1989	
	Total	Current	Total	Current	Total	Current	Total	Current	Total	Current	Total	Current
Unsecured Delinquent Taxes	6,683,099	6,683,099			6,683,099	6,683,099			6,683,099	6,683,099		
Unsecured Delinquent Taxes	21,885,169	21,885,169			21,885,169	21,885,169			21,885,169	21,885,169		
Other Accounts Receivable	28,568,268	28,568,268			28,568,268	28,568,268			28,568,268	28,568,268		
Total Accounts Receivable, net	55,216,465	55,216,465			55,216,465	55,216,465			55,216,465	55,216,465		
Unpaid Bonds	97,263,000	97,263,000			97,263,000	97,263,000			97,263,000	97,263,000		
Interfund Accounts Receivable	608,780,890				608,780,890				608,780,890			
Due from General City and	219,621,045	195,027,128	12,362,000		219,621,045	195,027,128	12,362,000		219,621,045	195,027,128	12,362,000	
Due from Public Service Enterprises	3,167,385	3,167,385			3,167,385	3,167,385			3,167,385	3,167,385		
Total Interfund Accounts Receivable	222,788,630	198,194,713	12,362,000		222,788,630	198,194,713	12,362,000		222,788,630	198,194,713	12,362,000	
Loose Deposits and Guarantees	165,100				165,100				165,100			
Deferred Charges	1,015,296	1,015,296			1,015,296	1,015,296			1,015,296	1,015,296		
Materials and Supplies	135,065,000				135,065,000				135,065,000			
Amounts to be Provided for	2,395,615	2,395,615			2,395,615	2,395,615			2,395,615	2,395,615		
Amounts to be Provided for	3,862,390	3,862,390			3,862,390	3,862,390			3,862,390	3,862,390		
Other Deferred Charges	162,338,301	3,490,360	135,065,000		162,338,301	3,490,360	135,065,000		162,338,301	3,490,360	135,065,000	
Total Deferred Charges	82,217,792,539	\$650,033,989	\$1,106,509,365	\$663,249,205	82,217,792,539	\$650,033,989	\$1,106,509,365	\$663,249,205	82,217,792,539	\$650,033,989	\$1,106,509,365	\$663,249,205
Interfund Accounts Payable	222,319,301				222,319,301				222,319,301			
Due to General City and County	190,356,803				190,356,803				190,356,803			
Due to Public Service Enterprises	2,450,315				2,450,315				2,450,315			
Total Interfund Accounts Payable	192,807,118				192,807,118				192,807,118			
Deferred Credits	2,593,238				2,593,238				2,593,238			
Personal Property Taxes	4,602,633				4,602,633				4,602,633			
Subventions Received in Advance	10,109,465				10,109,465				10,109,465			
Unencumbered Interdepartmental	25,255,306				25,255,306				25,255,306			
Work Order Authorizations	23,183,560				23,183,560				23,183,560			
Other Deferred Credits	53,659,820				53,659,820				53,659,820			
Total Deferred Credits	101,515,296				101,515,296				101,515,296			
Reserves	1,015,296				1,015,296				1,015,296			
Supplies	938,361				938,361				938,361			
Reserve for Interdepartmental	2,138,932				2,138,932				2,138,932			
Other Reserves	5,199,998				5,199,998				5,199,998			
Unencumbered Appropriations	134,265,827				134,265,827				134,265,827			
Investment in Plant, Property	810,727,736				810,727,736				810,727,736			
and Equipment												
Trust and Assessment Fund	650,861,309				650,861,309				650,861,309			
Balances	121,458,782				121,458,782				121,458,782			
Unapportioned	31,024,394				31,024,394				31,024,394			
Total	\$650,033,989	\$1,106,509,365	\$663,249,205		\$650,033,989	\$1,106,509,365	\$663,249,205		\$650,033,989	\$1,106,509,365	\$663,249,205	

These financial statements and accompanying notes are subject to the accountants' report.

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO UNIFIED SCHOOL DISTRICT
AND SAN FRANCISCO COMMUNITY COLLEGE DISTRICTCOMPARATIVE STATEMENT OF CURRENT FUNDS,
REVENUES AND EXPENDITURES

(EXCLUSIVE OF PUBLIC SERVICE ENTERPRISES)

YEAR ENDED JUNE 30, 1973 AND 1972

	<u>1973</u>	<u>1972</u>
Revenues		
Property Taxes, Penalties, Interest and Costs	\$279,215,188	\$269,642,719
Federal and State Subventions	195,581,651	191,114,903
Retail Sales and Purchase Use Tax	25,856,466	24,168,568
Departmental Service Charges, etc.	63,355,197	51,998,511
Employer's Payroll Tax	20,338,021	19,346,107
Fines, Forfeitures and Penalties other than from Property Taxes	9,772,936	8,372,412
Bank Interest	13,658,134	11,554,656
Utility User's Tax	9,077,230	8,892,535
Licenses	1,524,320	1,548,682
Hotel Room Tax	5,712,018	4,592,276
Business Tax	3,929,874	7,626,943
Parking Tax	2,728,086	5,499,426
Rentals from Use of Property	1,032,978	912,017
Franchise Taxes	789,906	730,992
Property Transfer Tax	710,894	611,257
Federal Revenue Sharing, including interest	28,150,502	-
Revenue from Other Sources	<u>1,752,719</u>	<u>2,348,049</u>
Total Revenues	<u>663,186,120</u>	<u>608,960,053</u>
Operating Expenditures		
Departmental Operating Expenses		
General Government	35,136,856	34,501,558
Public Safety	69,059,799	69,109,369
Highways	7,795,925	6,738,608
Sanitation	10,237,260	9,061,908
Health Conservation	10,745,445	11,062,100
Hospitals	52,532,905	50,679,388*
Social Services	157,509,189	152,021,316*
Corrections	8,079,846	8,045,572
Schools	128,192,358	127,946,752
Libraries	3,567,481	3,534,711
Recreation	18,490,694	17,028,525
Civil Defense	171,283	167,810
Miscellaneous	<u>642,429</u>	<u>398,966</u>
	<u>502,161,470</u>	<u>490,296,583</u>

*1972 restated to include Laguna Honda Hospital expense of \$11,758,555 in Hospitals, formerly included in Social Services.

These financial statements and accompanying notes are subject to the accountants' report.

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO UNIFIED SCHOOL DISTRICT
AND SAN FRANCISCO COMMUNITY COLLEGE DISTRICT

COMPARATIVE STATEMENT OF CURRENT FUNDS,
REVENUES AND EXPENDITURES

(EXCLUSIVE OF PUBLIC SERVICE ENTERPRISES)

YEARS ENDED JUNE 30, 1973 AND 1972

	<u>1973</u>	<u>1972</u>
Excess of Current Revenues over Operating Expenditures	<u>161,024,650</u>	<u>118,663,470</u>
Other Revenues		
Gain on Sale of Capital Assets		<u>144,357</u>
Other Expenditures		
Transfers to Capital Accounts		
Capital Additions from Revenue	25,026,625	18,432,534
Less Transfers from Capital Funds	<u>172,227</u>	<u>197,260</u>
Net Capital Additions from Revenues	24,854,398	18,235,274
Bond Redemption	15,565,000	15,465,000
Bond Interest	5,516,043	5,396,246
Pension Costs, Employees' Retirement System	41,454,287	44,553,021
Contributions to Municipal Railway, Tax Support	22,333,792	17,197,155
Contributions to Municipal Railway, Revenue Sharing	4,907,985	-
Contributions to Federal Social Security	7,131,145	6,117,091
Contributions to Health Service System	2,121,769	1,814,274
Contributions to Port of San Francisco, Revenue Sharing	<u>584,000</u>	
	<u>124,468,419</u>	<u>108,778,061</u>
Excess of Revenues over Expenditures	<u>\$ 36,556,231</u>	<u>\$ 10,029,766</u>

These financial statements and accompanying notes
are subject to the accountants' report.

CITY AND COUNTY OF SAN FRANCISCO
 SAN FRANCISCO UNIFIED SCHOOL DISTRICT
 AND SAN FRANCISCO COMMUNITY COLLEGE DISTRICT

STATEMENT OF UNAPPROPRIATED BALANCE OF CURRENT FUNDS
 (EXCLUSIVE OF PUBLIC SERVICE ENTERPRISES)

YEAR ENDED JUNE 30, 1973

Unappropriated Balance of Funds,		
June 30, 1972		
Available		\$ 37,027,979
Cash Reserve		<u>28,242,317</u>
		65,270,296
Add		
Excess of Revenues over Expenditures		
(Exhibit B)	\$36,556,231	
Net Increase in Interfund Budgetary		
Balances	808,612	
Miscellaneous Adjustments	670,243	
Net Transfers from Miscellaneous Reserves	937,079	
Decrease in Interdepartmental Work Order		
Authorizations	<u>50,264</u>	<u>39,022,429</u>
		104,292,725
Deduct		
Net Decreases in Interdepartmental		
Unencumbered Appropriations	5,619,706	
Net Increase in Reserve for Encumbrances	5,756,860	
Increase in Unencumbered Balance of		
Appropriations	<u>2,481,779</u>	<u>13,858,345</u>
Unappropriated Balance of Funds,		
June 30, 1973		
Available	61,672,033	
Cash Reserve	<u>28,762,347</u>	
Total		<u>\$ 90,434,380</u>

These financial statements and accompanying notes
 are subject to the accountants' report.

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO UNIFIED SCHOOL DISTRICT
AND SAN FRANCISCO COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS
(EXCLUSIVE OF PUBLIC SERVICE ENTERPRISES)

JUNE 30, 1973

ACCOUNTING PRACTICES

Accounting practices of the City and County of San Francisco are basically consistent with generally accepted principles of governmental accounting as recommended by the National Committee on Governmental Accounting in its publication "Governmental Accounting, Auditing and Financial Reporting", 1968 edition. Such principles by usage and custom have been recognized as within the concept of generally accepted accounting principles as interpreted by the American Institute of Certified Public Accountants.

The following accounting practices are contrary to generally accepted accounting principles:

1. Plant, property and equipment accounts aggregating \$810,747,734 at June 30, 1973 represent generally the accumulated cost of the investment in such assets. Because of a lack of detailed records showing acquisition costs, these asset accounts are not always properly relieved of cost when assets are retired.
2. Federal and State grants revenues and expenditures are not adequately identified as such in the accounting records. At the time such grants are received, the amount of the award is recorded as a Deferred Revenue, (a balance sheet account), appropriation accounts are established for such grants, and as expenditures are made, they are applied directly against the Deferred Revenue. During the year ended June 30, 1973, expenditures amounted to \$33,869,443. Revenues will ultimately be approximately the same amount but will overlap to other fiscal periods due to timing differences in processing disbursement claims.

RETIREMENT SYSTEM

The following is quoted from the Notes to Financial Statements of the latest independent audit report for the Employees' Retirement system covering the year ended June 30, 1972.

"Reserves are not provided to meet pension requirements for current or prior service of policemen retired under Charter Section 166 or of firemen retired under Charter Section 169 nor for prior service of other members. These benefits are provided out of current contributions of the City and County of San Francisco. The estimated requirements for these benefits at June 30, 1971, were \$49,095,500 based on an actuarial survey at that date."

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO UNIFIED SCHOOL DISTRICT
AND SAN FRANCISCO COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS
(EXCLUSIVE OF PUBLIC SERVICE ENTERPRISES)

JUNE 30, 1973

RETIREMENT SYSTEM (Continued)

We were informed that the Retirement System has made no estimate of its contingent liability at June 30, 1973 for compensation claims pending under the workmen's compensation laws of the State of California. At June 30, 1969, the estimated liability was \$6,000,000. No reserve is provided for compensation claims, which are paid by the Retirement System out of funds provided by the City and County of San Francisco in each annual appropriation ordinance.

REVENUE SHARING

The Congress and President of the United States on October 20, 1972 enacted the State and Local Fiscal Assistance Act of 1972 which provides for an annual appropriation for each of five years beginning January 1, 1972 and extending through December 31, 1976. The City and County of San Francisco has received the following funds under this program:

<u>Entitlement Period</u>	<u>Revenue</u>
January 1, 1972 - June 30, 1972	\$ 8,833,517
July 1, 1972 - December 31, 1972	8,476,607
January 1, 1973 - March 31, 1973	5,122,852
April 1, 1973 - June 30, 1973	<u>5,122,853</u>
	27,555,829
Interest Earned	<u>594,673</u>
Total Revenue through June 30, 1973	28,150,502
Less Cash and Budget Transfers:	
General Fund	\$3,255,205
San Francisco	
Municipal Railway	4,907,984
Port of San Francisco	<u>584,000</u>
	<u>8,747,189</u>
Unappropriated Balance June 30, 1973	<u>\$19,403,313</u>

CONTINGENT LIABILITIES

The City and County of San Francisco is contingently liable for its pro rata share of the bond interest and redemption requirements of the San

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO UNIFIED SCHOOL DISTRICT
AND SAN FRANCISCO COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS
(EXCLUSIVE OF PUBLIC SERVICE ENTERPRISES)

JUNE 30, 1973

CONTINGENT LIABILITIES (Continued)

Francisco Bay Area Rapid Transit District on the ratio of the assessed valuation of the taxable property of the City and County lying within the District.

The City Attorney advised as follows with respect to litigation in which the City and County of San Francisco was involved at June 30, 1973:

"Approximately 2,700 suits seeking money judgments are pending against the City. Prayers in these suits approximate \$150,000,000. I estimate that the net dollar liability (ultimate payout) will approximate \$7,000,000."

As of June 30, 1973, the School District's contingent liability for injury claims was estimated by the legal advisor to the Board of Education to be not in excess of \$150,000. No reserve has been provided for the above amounts.

Claims submitted by the Social Services Department for reimbursement of the State and Federal share of costs are subject to audit by the State and Federal governments. As of the date of this report, the Federal government had audited through June 30, 1966, and the State government had audited through September 30, 1971. Reserves have been provided for claims filed in fiscal years ending subsequent to June 30, 1968, in the total amount of \$383,799.

For possible contingent liabilities of the Employees' Retirement System and other data of interest, attention is directed to the audit report which is to be submitted subsequent to the issuance of the Annual Report.

ACCOUNTANTS' OPINION ON SUPPLEMENTARY INFORMATION

Our examination of the basic financial statements presented in the preceding section of this report was made primarily to form an opinion on such financial statements taken as a whole. Supplementary information, contained in the following pages, is not considered essential for the fair presentation of the financial position of the City and County of San Francisco (exclusive of Public Service Enterprises) or revenues and expenditures of current funds or changes in the unappropriated balances of current funds in conformity with generally accepted accounting principles. However, the following data were subjected to the audit procedures applied in the examination of the basic financial statements except for the limitations described in the accountants' opinion on financial statements. Our opinion covering the basic financial statements refers in a footnote to departures from generally accepted accounting principles with respect to property, plant and equipment and revenues and expenditures arising from Federal and State grants. In our opinion, except for the departures from generally accepted accounting principles described above, the following data identified as Exhibits D, E, F, G and H in the preceding table of contents, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

This report also includes financial statements, identified as Exhibits I, J and K in the preceding table of contents, which summarize Public Service Enterprises. Each of the underlying separate financial statements were examined by other certified public accountants, except for that covering the Public Utilities Commission, which was unaudited, and except for that covering the Port of San Francisco, which was examined by us in a separate engagement. These financial statements are provided for information only and we express no opinion on them.

Kevin Lofgren, C.P.A.

San Francisco, California
December 31, 1973

THE CITY OF SAN FRANCISCO
SAN FRANCISCO PUBLIC UTILITY DISTRICT
SAN FRANCISCO PUBLIC UTILITY DISTRICT
GENERAL FUND BALANCE SHEET (IN THOUSAND DOLLARS)
(CONTINUED FROM PREVIOUS PAGE)

June 30, 1971

EXHIBIT D
Page 1 of 2

	ASSETS				
	Cash	Accounts receivable	Interfund accounts receivable	Deferred charges	Total
Accounts receivable	\$ 44,355,908	\$53,376,496	\$123,308,840	\$ 424,739	\$221,465,983
Accounts receivable - other	1,206,729	1,557,421	1,988,298	52,588	4,803,036
Accounts receivable - other	865,006	70,352	348,852		1,303,110
Accounts receivable - other	246,705		23,947		270,652
Accounts receivable - other	108,397		17,564		125,961
Accounts receivable - other	270,440		30,979		301,419
Accounts receivable - other	247,671		150,000		397,671
Accounts receivable - other	8,253,761	741,166	2,491,319		11,086,246
Accounts receivable - other	27,980,764	2,166,122	1,356,739	1,712,991	28,216,616
Accounts receivable - other	2,992,107	4,867,741	993,287		8,853,135
Accounts receivable - other	6,711,591	3,614,700	26,087		10,352,378
Accounts receivable - other	4,200,777	212,236	186,246		4,499,259
Accounts receivable - other	1,350,048	660,388	26,221	105,963	2,142,620
Accounts receivable - other	102,247			9,788	112,035
Accounts receivable - other	881,613	160,747	81,999		1,124,359
Accounts receivable - other	168,049	2,078			170,127
Accounts receivable - other	16,689,569	1,652,507	1,526,391		19,868,467
Accounts receivable - other	419,052		4,066,680		4,485,732
Accounts receivable - other	1,010,158	27,738	15,420,830		16,458,726
Accounts receivable - other	700,140			1,184,291	1,884,431
Accounts receivable - other	2,739,496	4,355,481	40,592,008		47,686,983
Accounts receivable - other	282,410		1,215,239		1,497,649
Accounts receivable - other	238,929				238,929
Accounts receivable - other	1,465,629	5,381,666	2,750,201		9,597,496
Accounts receivable - other	1,290,257		501,266		1,791,523
Accounts receivable - other	211,568		419,213		630,781
Accounts receivable - other	765,088		271,298		1,036,386
Accounts receivable - other	(167,930)				(167,930)
Accounts receivable - other	(171,332)				(171,332)
Accounts receivable - other	(103,236)				(103,236)
Accounts receivable - other	6,983,967				6,983,967
Accounts receivable - other	1,460,189	299,029			299,029
Accounts receivable - other	720,083				1,460,189
Accounts receivable - other	142,625	7,687	913,746		1,661,516
Accounts receivable - other	176,211	1,527,113	13,451		1,683,189
Accounts receivable - other	5,110,142		154,523		331,036
Accounts receivable - other	4,845,617				5,493,352
Accounts receivable - other	18,721,851	5,122,853			4,339,399
Accounts receivable - other	89,992				23,844,704
Accounts receivable - other	66,349				89,992
Accounts receivable - other					66,349
Accounts receivable - other	3,170,663				3,170,663
Accounts receivable - other	482,317				482,317
Accounts receivable - other	227				227
Total	\$165,577,992	\$86,770,924	\$198,194,713	\$3,450,360	\$450,033,989

CITY AND COUNTY OF SAN FRANCISCO
 SAN FRANCISCO UNIFIED SCHOOL DISTRICT
 AND SAN FRANCISCO COMMUNITY COLLEGE DISTRICT
 INDIVIDUAL FUND BALANCE SHEETS -- CURRENT FUNDS
 (EXCLUSIVE OF PUBLIC SERVICE ENTERPRISES)

EXHIBIT D
 Page 2 of 2

JUNE 30, 1973

	LIABILITIES AND FUND BALANCES					
	Loans, accounts payable and commitments	Interfund accounts payable	Deferred credits	Reserves	Fund balances	
	Total				Unencumbered appropriations	Unappropriated
General	\$221,465,983	\$55,665,423	\$ 99,386,164	\$29,092,123	\$14,685,541	\$19,723,908
Recreation and Park	4,803,036	794,180	2,595,157	253,226	86,307	1,090,025
Library	1,303,110	511,527	515,373	221,362	3,000	51,848
Memorial	270,652	17,059	350,591	600	-13,750	88,632
California Palace of the Legion of Honor	125,961	14,850	108,525	869	1,000	717
Young Museum	301,419	115,509	179,801	4,454	1,000	655
Publicity and Advertising	397,671	266,136	371,987	1,987		1,561
Food	11,086,246	436,722	3,623,522		4,249,454	2,776,548
San Francisco Unified School District	28,216,616	9,314,692	4,858,593	57,498	770,368	2,097,971
San Francisco Community College District	8,853,135	2,128,799	1,286,074	1,080,556	30,000	27,481
San Francisco Unified School District Reserve	10,352,378	4,039,595	589,395	3,187,052	2,311,861	224,475
San Francisco Community College District Reserve	4,699,259	5,167	2,335,949	368,393	1,750,482	239,268
School Cafeteria	2,142,600	136,552	1,128,315		109,962	19,105
San Francisco Community College District Cafeteria	112,035	29,310	78,893		1,580	1,152
Child Care Centers	1,126,159	471,130	183,355	202	34,916	488,556
Development Center for Handicapped Minors	170,127	5,107	97,379	2,250	6,000	61,661
Special Gas Tax Street Improvement	19,848,467	239,524	7,561,391		11,433,022	612,280
Employees' Retirement - Current	4,486,732	341,304	1,987,591	55,819	2,099,518	
Bond Interest and Redemption	16,458,726	38,636	15,700,000		703,214	769
Marina Yacht Harbor	1,886,431	1,189,101	315,936	20,984	22,408	205,727
Cash Reserve	47,686,983		18,924,637		130,230	28,762,346
Emergency Reserve	1,497,649					1,497,649
San Francisco Zoo	238,929		33,905			205,024
Capital Improvement	9,577,496		9,427,496			150,000
Golden Gate Park Improvement	1,791,523		275,026			1,516,497
Power Service	630,781		630,781			
Alcoholic Beverage License Subsidy	1,036,386		1,036,386			
Editorial	(167,930)					(167,930)
Fireman's Relief and Pension	(171,332)					(171,332)
Police Relief and Pension	(103,236)					(103,236)
Life Assistance and Administration	6,983,967		2,381,334	4,602,633		
San Francisco Bay Area Rapid Transit District	299,029		299,029			
IF-Street Parking	1,490,189		1,242,798		22,677	226,714
Heat, Light and Power	1,641,516	1,203,317	220,667	17,924	167,545	52,083
Hotel Room Tax	1,683,189		1,202,326			25,000
Health Service - Current	331,034	4,079	256,248	202	49,621	20,884
Highway Traffic Control	5,493,352		5,493,352			
Motor Vehicle License	4,339,399		4,339,399			
Federal Revenue Sharing	23,844,704		4,441,391			19,403,313
San Francisco Public Health	89,992		89,992			
Animal Control and Welfare	66,369			57,485		8,884
Unappropriated Funds						
Tax Collector's Taxes	3,170,663		3,170,663			
Delinquent Tax Installments	482,317		482,317			
Redemption of Property	277			277		
Totals	\$450,033,989	\$76,915,719	\$193,104,738	\$62,689,076	\$51,690,578	\$90,434,380

STATE OF TEXAS
COMMISSIONERS OF THE GENERAL LAND OFFICE
REPORT OF THE COMMISSIONERS OF THE GENERAL LAND OFFICE
FOR THE YEAR ENDING DECEMBER 31, 1999

GENERAL LAND OFFICE REPORT - CAPITAL AND
OPERATING ASSETS AND LIABILITIES

June 30, 1999

	ASSETS				Amounts to be provided for payment of bond principal
	Trust	Cash	Interfund accounts receivable	Unsold bonds	
Land	\$ 87,000	\$ 67,000			
Land (includes 100% owned land and land interests)					
Land (includes 100% owned land and land interests)	5,463	1,943			
Land (includes 100% owned land and land interests)	38,107	38,107			
Land (includes 100% owned land and land interests)	808,294	818,593			\$ 90,000
Land (includes 100% owned land and land interests)	3,807	7,072			
Land (includes 100% owned land and land interests)	23,637	23,637			
Land (includes 100% owned land and land interests)	65,359	65,359			
Land (includes 100% owned land and land interests)	10,000	40,436			100,000
Land (includes 100% owned land and land interests)	1,000,000	51,741			1,065,000
Land (includes 100% owned land and land interests)	2,233	5,233			
Land (includes 100% owned land and land interests)	245,367	13,367			245,000
Land (includes 100% owned land and land interests)	8,363	8,363			
Land (includes 100% owned land and land interests)	1,395,595	170,595			1,225,000
Land (includes 100% owned land and land interests)	1,746,461	56,461			1,690,000
Land (includes 100% owned land and land interests)	1,000,000	8,788			4,000,000
Land (includes 100% owned land and land interests)	241,759	1,759			240,000
Land (includes 100% owned land and land interests)	1,007,076	17,076			2,000,000
Land (includes 100% owned land and land interests)	843,223	3,223			840,000
Land (includes 100% owned land and land interests)	403,863	16,863			925,000
Land (includes 100% owned land and land interests)	8,311,037	1,085,037			5,470,000
Land (includes 100% owned land and land interests)	29,420	29,420			300,000
Land (includes 100% owned land and land interests)	1,009,912	1,831,912		\$ 2,128,000	9,230,000
Land (includes 100% owned land and land interests)	1,830,670	355,670		1,645,000	3,830,000
Land (includes 100% owned land and land interests)	26,150,802	1,455,802			22,895,000
Land (includes 100% owned land and land interests)	4,978,641	1,838,641			3,140,000
Land (includes 100% owned land and land interests)	806,699	1,699			805,000
Land (includes 100% owned land and land interests)	47,883,059	8,250,059	\$ 6,462,000		28,150,000
Land (includes 100% owned land and land interests)	16,800,933	6,500,933	5,900,000	8,025,000	14,375,000
Land (includes 100% owned land and land interests)	20,786,129	5,261,129		3,755,000	11,760,000
Land (includes 100% owned land and land interests)	540,000				540,000
Land (includes 100% owned land and land interests)	75,940,843	11,850,843			16,290,000
Land (includes 100% owned land and land interests)	14,600,630	6,109,630			6,150,000
Land (includes 100% owned land and land interests)	7,550,000	1,500,000			1,500,000
Land (includes 100% owned land and land interests)	25,000,000			25,000,000	
Land (includes 100% owned land and land interests)	846,932	846,932			
Land (includes 100% owned land and land interests)	446,865	446,865			
Land (includes 100% owned land and land interests)	5293,761,611	549,090,611	612,362,000	997,244,000	6135,065,000

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO UNIFIED SCHOOL DISTRICT
AND SAN FRANCISCO COMMUNITY COLLEGE DISTRICT
INDIVIDUAL FUND BALANCE SHEETS -- CAPITAL FUNDS
(EXCLUSIVE OF PUBLIC SERVICE ENTERPRISES)

JUNE 30, 1973

	Total	Bonded debt	LIABILITIES AND FUND BALANCES		Fund Balances	
			Accounts payable and commitments	Interfund accounts payable	Unencumbered appropriations	Unappropriated
Bond Funds						
1964 Sewer	\$ 67,037					\$ 67,037
1944 Juvenile Home and Court and 1948 Juvenile Court and Detention Home	1,943					1,943
1967 Off-Street Parking	368,157					368,157
1947 Street Improvement	908,593	\$ 90,000			\$ 428,915	389,678
1947 Recreation	7,072				7,072	
1948 Sewage Treatment	23,637				23,637	
1948 School	45,359					45,359
1932 Firehouse	146,434	100,000		\$ 39,463		971
1954 Sewer	1,136,741	1,085,000		1,600	15,759	34,382
1954 Laguna Honda Home and Hospital	5,253				1,186	4,067
1954 San Francisco Hospital	258,367	245,000			3,682	9,685
1954 Exhibit Hall	6,383					6,383
1955 Playgrounds and Recreation Centers	1,395,595	1,225,000	\$ 5,230	100,000	65,365	
1936 Hall of Justice	1,746,661	1,690,000		22,745	27,663	6,253
1959 School	4,096,788	4,090,000			3,323	8,788
1958 Recreation and Park (Steinhart Aquarium)	261,759	260,000				76
1939 Civic Center Auditorium	2,097,074	2,080,000			17,074	
1959 Palace of Fine Arts	845,323	840,000			3,323	
1960 de Young Museum	941,863	925,000			16,863	
1960 Sewer	6,555,037	5,470,000	5,000	187,039	875,798	17,200
1961 Port Funston	329,420	300,000			29,420	
1964 Sewerage and Sewage Disposal	13,189,912	9,230,000	78,854	853,239	3,027,819	
1964 Street Lighting	5,830,670	3,830,000	8,945	701,633	1,290,092	
1964 School	24,350,802	22,895,000	161,846	1,134,450	167,332	11,974
1964 Fire Department	4,978,641	3,140,000	478,120	394,934	965,587	
1964 Log Cabin Ranch	806,699	805,000			1,699	
1965 Medical Center	42,862,059	28,150,000	304,451	13,409,344	998,264	
1968 Market Street Reconstruction and Improvement	34,800,953	16,375,000	2,572,669	5,164,202	12,689,082	
1968 Sewerage and Water Pollution Control	20,796,129	11,780,000	629,864	2,136,731	6,249,534	
1969 Community College	540,000	540,000				
1970 Water Pollution Control	75,940,863	14,290,000	1,911,130	2,147,356	27,656,563	29,935,814
1971 Fire Protection	16,600,630	6,150,000	1,034,198	471,509	6,944,923	
1972 Street/Parade Lighting	7,550,000	1,500,000	48,790	105,006	5,896,206	
1972 Sewer Bond	25,000,000			41,400	24,958,600	
Real Property Funds						
General City	846,932			604,412	162,239	80,281
San Francisco Unified School District	446,845			368,210	59,287	34,348
Totals	\$293,761,611	\$135,065,000	\$7,219,097	\$27,877,871	\$92,575,249	\$31,024,394

OFFICE AND PROPERTY OF SAN FRANCISCO
AND STANFORD UNIVERSITY JOINTLY OWNED
AND MANAGED AS PARTNERSHIP
CONTRACTING WITH SELLING ORGANIZATIONS AND ASSOCIATED FUNDS
(CONTINUED IN FINANCIAL STATEMENTS)

June 30, 1970

ASSETS

	Cash	Accounts receivable	Investments	Interfund Accounts receivable	Deferred charges and deposits	Total
UNIVERSITY OF CALIFORNIA - SAN FRANCISCO	\$6,139,270	\$6,352,048	\$605,948,251	\$ 3,179,948		\$631,659,517
UNIVERSITY OF CALIFORNIA - SAN FRANCISCO	638		94			732
UNIVERSITY OF CALIFORNIA - SAN FRANCISCO	11,514					11,514
UNIVERSITY OF CALIFORNIA - SAN FRANCISCO	250					250
UNIVERSITY OF CALIFORNIA - SAN FRANCISCO	21,518		49,340			70,858
UNIVERSITY OF CALIFORNIA - SAN FRANCISCO	220,418	1,505	115,250			337,173
UNIVERSITY OF CALIFORNIA - SAN FRANCISCO	116,086					316,086
UNIVERSITY OF CALIFORNIA - SAN FRANCISCO	5,009		72,433			77,442
UNIVERSITY OF CALIFORNIA - SAN FRANCISCO	93,484					93,484
UNIVERSITY OF CALIFORNIA - SAN FRANCISCO	8,797	116	7,926			16,839
UNIVERSITY OF CALIFORNIA - SAN FRANCISCO	39		2,000			2,039
UNIVERSITY OF CALIFORNIA - SAN FRANCISCO	5					5
UNIVERSITY OF CALIFORNIA - SAN FRANCISCO	9,790					9,790
UNIVERSITY OF CALIFORNIA - SAN FRANCISCO	1,063					1,063
UNIVERSITY OF CALIFORNIA - SAN FRANCISCO	7,748		65,492			73,240
UNIVERSITY OF CALIFORNIA - SAN FRANCISCO	152	15	993			1,160
UNIVERSITY OF CALIFORNIA - SAN FRANCISCO	7,805					3,805
UNIVERSITY OF CALIFORNIA - SAN FRANCISCO	33					33
UNIVERSITY OF CALIFORNIA - SAN FRANCISCO	5,319	300	40,000			45,619
UNIVERSITY OF CALIFORNIA - SAN FRANCISCO	1,388		25,402			26,790
UNIVERSITY OF CALIFORNIA - SAN FRANCISCO	1,871					1,871
UNIVERSITY OF CALIFORNIA - SAN FRANCISCO	135					135
UNIVERSITY OF CALIFORNIA - SAN FRANCISCO	10					10
UNIVERSITY OF CALIFORNIA - SAN FRANCISCO	517					517
UNIVERSITY OF CALIFORNIA - SAN FRANCISCO	9,547					9,547
UNIVERSITY OF CALIFORNIA - SAN FRANCISCO	115					115
UNIVERSITY OF CALIFORNIA - SAN FRANCISCO	2,261	37	4,997			7,275
UNIVERSITY OF CALIFORNIA - SAN FRANCISCO	10,000					10,000
UNIVERSITY OF CALIFORNIA - SAN FRANCISCO	174,503	214	412,455			587,172
UNIVERSITY OF CALIFORNIA - SAN FRANCISCO	36,018					36,018
UNIVERSITY OF CALIFORNIA - SAN FRANCISCO	305					305
UNIVERSITY OF CALIFORNIA - SAN FRANCISCO	2,306	351	15,009			17,666
UNIVERSITY OF CALIFORNIA - SAN FRANCISCO	7,774					7,774
UNIVERSITY OF CALIFORNIA - SAN FRANCISCO	19,607					19,607
UNIVERSITY OF CALIFORNIA - SAN FRANCISCO	13,715					13,715
UNIVERSITY OF CALIFORNIA - SAN FRANCISCO	2,138,936			590,257		2,729,193
UNIVERSITY OF CALIFORNIA - SAN FRANCISCO	35					35

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO UNIFIED SCHOOL DISTRICT
AND SAN FRANCISCO COMMUNITY COLLEGE DISTRICT

INDIVIDUAL FUND BALANCE SHEETS - TRUST AND ASSESSMENT FUNDS
(EXCLUSIVE OF PUBLIC SERVICE ENTERPRISES)

JUNE 30, 1973

	LIABILITIES AND FUND BALANCES				
	Total	Accounts payable and commitments	Interfund accounts payable	Deferred credits	Fund balances
Retirement and Other Public Trust Funds					
Employees' Retirement System	\$631,859,517	\$3,871,197	\$ 255,744		\$627,732,576
Bequests					
Brunetti	732				732
Condon	11,514				11,514
Fallon	250				250
Fuhrman Bequest - Joint	70,838		500		70,338
Fuhrman Bequest - Library	337,173	31,980	500		304,693
Fuhrman Bequest - Park	316,084		50,200		265,884
Gourley	77,442				77,442
Heller	93,484				93,484
Herrstein	16,839				16,839
Lewis	2,039				2,039
Magnani Bequest	5				5
Mark	9,790				9,790
McLean	1,063				1,063
Neil V. O'Connell Fund	73,240	3,063			70,177
Olson	1,160				1,160
Parker	3,805	20			3,785
Raymond	33				33
Robinson	45,559	60			45,559
Sallinger	26,790				26,790
Sindell	1,871				1,871
Snelde	135				135
Steinberg	10				10
Stoy	517				517
Strauss	9,547	537			9,010
Strybing	115				115
Sutro	7,275				7,275
Swartz	10,000				10,000
Vane	587,172		38,610		548,562
Waden	35,018	500			35,518
Wilbert	305				305
Windlell	17,666	174			17,492
Board of Trustees - Legion of Honor	7,774				7,774
Community Renewal Program	19,607				19,607
County Jail Prisoners' Welfare	13,715				13,715
Health Service	2,729,173	711,700		\$471,715	1,545,758
Infantile Paralysis	35				35

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO OFFICIALS' TRUST FUND
SAN FRANCISCO COMMUNITY TRUST FUND

ANNUAL FUND BALANCE SHEETS - TRUST AND ASSESSMENT FUNDS
(EXHIBIT OF PUBLIC SERVICE ENTERPRISE)

June 30, 1978

	ASSETS				
	Cash	Accounts receivable	Investments	Interfund accounts receivable	Deferred charges and deposits
Total					
Retirement and Other Public Trust Funds (Continued)					
Agencia Social Home - Gift Fund	16,867				\$ 16,867
Agencia Social Home - Gift Fund	5,851				5,851
Library Gift Fund	1,492				1,492
Library Gift Fund	11				11
Long Term Social Welfare	123				123
Medical Insurance	428				428
Medical Insurance Collections	763				763
P.F.D. Trust			\$ 11,307		11,307
P.F.D. Social Security Insurance	7,968	\$ 270			8,238
Public Library	152				152
Public Library	14,460				14,460
San Francisco and Park Gift Fund	103,936				103,936
San Francisco Hospital - Children's Ward	1,165				1,165
San Francisco Hospital - Gift Fund	5,684				5,684
San Francisco Hospital - Gift Fund	110				110
San Francisco Hospital - Gift Fund	1,599	150	9,941		11,690
San Francisco Hospital - Gift Fund	767				767
State Highway	5,763	49,816			55,579
State Highway	3,476				3,476
Tuberculosis Fund	2,159				2,159
Veterans' Education School	385				385
Veterans' Education School and Capital Improvement	890				890
Total Retirement and Other Public Trust Funds	19,641,878	5,444,772	606,789,890	3,779,705	636,637,745
Other Trust Funds					
Alameda County	92,377				92,377
Alameda County Officers' Deposit Account	100,697	75			100,772
Alameda County Officers' Clearing Account	56,254	516			56,770
Alameda County Work Fund	31,622				31,622
Alameda County (Office of the Legation of Honor)	761				761
Alameda County (Sanitation Bureau)	16,530				16,530
Alameda County (Sanitation Bureau)	1,500				1,500
Alameda County (Sanitation Bureau)	2,151,016				2,151,016
Alameda County (Sanitation Bureau)	60				60
Business Tax Surplus	1,105				1,105
Business Tax Surplus	316,798			47	316,845
Business Tax Surplus	102,808				102,808
Business Tax Surplus	1,523				1,523

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO UNITED SCHOOL DISTRICT
AND SAN FRANCISCO COMMUNITY COLLEGE DISTRICT

INDIVIDUAL FUND BALANCE SHEETS - TRUST AND ASSESSMENT FUNDS
(EXCLUSIVE OF PUBLIC SERVICE ENTERPRISES)

JUNE 30, 1973

	LIABILITIES AND FUND BALANCES				
	Total	Accounts payable and commitments	Interfund accounts payable	Deferred credits	Reserves
Retirement and Other Public Trust Funds (Continued)					Fund balances
Laguna Honda Home - Gift Fund	\$ 16,867	\$ 636			\$ 16,231
Laguna Honda Workshop	5,851				5,851
Library Gift Fund	1,492	952			540
Litter Control	11				11
Log Cabin Ranch Welfare	123				123
Methadone Treatment	428				428
George Wilton Meyer Collections	763				763
P.F.I.E. Trust	11,307				11,307
P.F.I.E. Scholarship Interest	8,208				8,208
Police Range	152				152
Public Information	14,460	1,067			13,393
Recreation and Park Gift Fund	103,936		\$ 47,000		56,936
San Francisco Hospital - Children's Ward	1,145				1,145
San Francisco Hospital - Gift Fund	5,684				5,684
Social Services	110				110
Special Anecdotal Book Fund	11,490	175			11,315
Levi Strauss Foundation	767				767
State Highway	59,579		40,063		19,516
Storyland Fund	3,476				3,476
Tuberculosis Trust	2,159				2,159
Veterans' Education School	385				385
War Memorial Maintenance and Capital Improvement	800				800
Total Retirement and Other Public Trust Funds	636,637,725	4,622,061	432,617	471,715	631,111,352
Private Trust Funds					
Absent Heirs	92,377	1,913			90,464
Adult Probation Officers' Deposit Account	100,772	64,467			36,305
Adult Probation Officers' Clearing Account	56,770	55,461			1,109
Adult Probation Work Furlough	31,622	869			30,753
California Palace of the Legion of Honor	761				761
Coroner's Unclaimed Money	16,530				16,530
County Clerk Bail	1,500				1,500
County Clerk Special	2,151,014	283,682			1,867,332
de Young Museum	60				60
Business Tax Expense	1,105				1,105
Duplicate Taxes	316,845	27,791			289,054
Partial Tax Payments	102,808	16,542			86,266
Electrical Deposits	1,523				1,523

STATEMENT OF ASSETS
FOR THE YEAR ENDED DECEMBER 31, 1977
BY THE BOARD OF SUPERVISORS, COUNTY OF ALBANY, NEW YORK
FOR THE FISCAL YEAR ENDING DECEMBER 31, 1977
(IN ACCORDANCE WITH SECTION 87(2)(b) OF THE GOVERNMENT OF THE STATE OF NEW YORK)

(IN THOUSAND DOLLARS)

	ASSETS				
	Cash	Accounts receivable	Investments	Interfund accounts receivable	Deferred charges and deposits
UNFUNDED TRUST FUNDS (continued)					
FUND 1 - General					
General Fund	\$ (76,976)			\$ 158,584	\$ 81,608
General Fund - Capital	464			212	676
General Fund - Debt	2,375				2,375
General Fund - Equipment	16,954				16,954
General Fund - Supplies	1,506			111	1,615
General Fund - Other	8,300				8,300
General Fund - Total	1,190,639	\$ 353		25	1,199,017
FUND 2 - Capital Projects	1,255,395			806,964	3,064,359
Capital Projects - General	312				312
Capital Projects - Equipment	48,215				48,215
Capital Projects - Supplies	428,480				428,480
Capital Projects - Other	362,923	25			362,948
Capital Projects - Total	25,943				25,943
Capital Projects - Total	120				120
Capital Projects - Total	465				465
Capital Projects - Total	12,911				12,911
Capital Projects - Total	568,064			1,378,594	1,946,638
Capital Projects - Total	40,162			55,176	95,338
Capital Projects - Total	992,478			2,385,832	3,378,310
Capital Projects - Total	(198,250)			455,198	256,948
Capital Projects - Total	(66,802)			1,321,215	1,254,413
Capital Projects - Total	(2,477)			254,791	252,314
Capital Projects - Total	219,101			323,489	542,590
Capital Projects - Total	34,392			64,727	99,118
Capital Projects - Total	(410,720)			411,227	497
Capital Projects - Total	40,963			40,339	81,302
Capital Projects - Total	16,170				19,310
Capital Projects - Total	600			\$ 3,140	145,340
Capital Projects - Total	1,400				180,300
Capital Projects - Total	2				2
Capital Projects - Total	34,281			11,277	1,186,965
Capital Projects - Total	23,810				35,087
Capital Projects - Total	8,397				8,397
Capital Projects - Total	176,134				834,684

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO UNIFIED SCHOOL DISTRICT
AND SAN FRANCISCO COMMUNITY COLLEGE DISTRICT
INDIVIDUAL FUND BALANCE SHEETS - TRUST AND ASSESSMENT FUNDS
(EXCLUSIVE OF PUBLIC SERVICE ENTERPRISES)

JUNE 30, 1973

	LIABILITIES AND FUND BALANCES					
	Total	Accounts payable and commitments	Interfund accounts payable	Deferred credits	Reserves	Fund balances
Private Trust Funds (Continued)						
F.I.C.A. Taxes						
Municipal Railway	\$ 81,608	\$ 126				\$ 81,482
Parking Authority	676					676
Jail Scores Deposits	2,375	1,744				631
Juvenile Court Deposits	16,954	176	\$ 20			16,758
Library Card Deposits	1,615					1,615
Municipal Court Bail	8,300	100				8,200
Municipal Court Special	1,199,017	71,690				1,127,327
Old Age Security and Disability Insurance	3,064,359	918				3,063,441
Police Department Deposits	312					312
Realty Deposits	48,215	200				48,015
Refundable Deposits, Department of Public Works	628,680	21,656				606,824
Sheriff's Trust	365,968	133,566				232,402
Sheriff's Innate Welfare Fund	25,943	7,272				18,671
Special Badge	120					120
Street Improvement	465					465
Street Improvement - Ordinance 1934	12,911					12,911
Voluntary Payroll Deductions	1,946,638	283,658				1,662,980
War Bonds	95,336	29,825				65,511
Withholding Tax - Federal						
General	3,378,310	467				3,377,843
Municipal Railway	256,968					256,968
San Francisco Unified School District	1,254,413	521				1,253,892
San Francisco Community College District	252,316	74				252,242
Withholding Tax - State						
General	562,590	112				562,478
Municipal Railway	94,118					94,118
San Francisco Unified School District	97	114				17
San Francisco Community College District	8,302					8,302
India Basin Sinking Fund	19,310					19,310
Second San Francisco Seawall Sinking Fund	1-3,140				\$ 3,140	16,170
Third San Francisco Seawall Sinking Fund	181,700					181,700
Fourth San Francisco Seawall Sinking Fund	2					2
Fifth San Francisco Seawall Sinking Fund	1,221,366				1,186,965	34,401
State Retirement Payroll Deduction	35,087	6,909				28,178
San Francisco Harbor Commission Payroll Deductions	8,397					8,397
Port of San Francisco 1970 Revenue Bond Interest	811,684	131,710			658,550	14,424

UNIVERSITY OF CALIFORNIA, BERKELEY 1961-62 ACADEMIC YEAR

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CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO UNIFIED SCHOOL DISTRICT
AND SAN FRANCISCO COMMUNITY COLLEGE DISTRICT

INDIVIDUAL FUND BALANCE SHEETS - TRUST AND ASSESSMENT FUNDS
(EXCLUSIVE OF PUBLIC SERVICE ENTERPRISES)

JUNE 30, 1973

	LIABILITIES AND FUND BALANCES					
	Total	Accounts payable and commitments	Interfund accounts payable	Deferred credits	Reserves	Fund balances
Private Trust Funds (Continued)						
Port of San Francisco 1970 Revenue Bond Reserve	\$ 1,594,446				\$1,574,446	\$ 20,000
San Francisco Community College Dormitory	550					550
	<u>20,074,013</u>	<u>1,161,741</u>	<u>20</u>		<u>3,747,961</u>	<u>35,184,311</u>
Agency Funds						
Airport Access Study	608					608
Bay Area Rapid Transit District	599,481		47	\$299,029		201,405
BART - Municipal Railway Transit Project	28,535	15,540			50	12,945
Economic Opportunity Council	2,184,514	421,323				1,768,191
Hunters Point Reclamation District	30,323		35,000			19,323
Redevelopment Agency						
Lower Market and Embarcadero Trustee Account	546,427					586,427
Project Expenditure Funds	279,155		654,389			124,766
Revolving Fund	441,374		163,600			300,174
Temporary Loan Funds	11,334					55,334
San Francisco Concentrated Employment	684,366	77,260	6,900			605,106
Tuolumne County Occupancy Tax	2,217					2,217
State of California						
Consumers' Use Tax	1,092	5,088				4
County Clerk	1,260	511				729
County Fair	77,855	16,009	37,338			44,508
Fines and Forfeitures	433,666					433,666
General Agency	41,267	5,190				38,057
Inheritance Taxes	233,216	220,118				13,098
Inheritance Tax Refunds	302					302
Law Library	20,800	20,730				70
Local Transportation	93,625	69,110	24,515			
Sales Tax	5,828					5,828
State Teachers' Retirement Plan	5,412	5	3,366			41
Teachers' Annuity Deposit	66,117	31,733				34,384
Teachers' Annuity Deposit - San Francisco Community College District	39,613	20,950				18,663
Total Agency Funds	<u>6,372,347</u>	<u>903,267</u>	<u>904,055</u>	<u>299,029</u>	<u>50</u>	<u>4,263,646</u>
Lease Deposits and Guarantees	<u>165,100</u>					<u>165,100</u>
Total Individual Fund Balance Sheets - Trust and Assessment Funds	<u>\$683,249,205</u>	<u>\$6,667,369</u>	<u>\$1,336,692</u>	<u>\$720,744</u>	<u>\$3,913,091</u>	<u>\$650,561,309</u>

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO UNIFIED SCHOOL DISTRICT
AND SAN FRANCISCO COMMUNITY COLLEGE DISTRICT

SUMMARY OF PROPERTIES
(EXCLUSIVE OF PUBLIC SERVICE ENTERPRISES)

JUNE 30, 1973

	Total	Land	Structures and improvements	Equipment
Current year's additions, net				
General Government				
Civic Center, including				
City Hall	\$ 131,807		\$ 14,316	\$ 117,49
Public Safety				
Fire Department	840,256		637,454	202,80
Police Department	1,027,964		129,044	898,92
Department of Electricity	24,543		23,656	88
Highways				
Streets, tunnels, bridges, etc.	7,947,847	\$ 1,285,303	6,502,637	159,90
Off-Street parking	439,128		439,128	
Sanitation				
Sewers and Sewer Disposal Plants	5,341,289	1,745	5,336,576	2,96
Street Cleaning Department	89,296			89,29
Health Conservation				
Civic Center Health Building	50,876		17,057	33,81
Other	2,103		(11,120)	13,22
Hospitals				
San Francisco Hospital	12,312,730		11,824,899	487,83
Emergency Hospitals	24,436		14,396	10,04
Hassler Hospital	1,961	(2,664)	4,625	
Social Services				
Laguna Honda Hospital	188,249		53,481	134,76
Department of Social Services	20,468		10,974	9,49
Corrections				
County Jails	6,481		6,481	
Youth Guidance Center	4,263			4,26
Juvenile Log Cabin Ranch	8,183		3,055	5,12
Schools	12,002,220	4,829	10,427,920	1,569,47
Libraries	726,766		7,609	719,15
Recreation				
Parks and Playgrounds	1,959,944	3,542	1,875,566	80,83
Museums, Art Galleries, etc.	36,071		14,585	21,48
War Memorial and Opera House	1,526			1,52
Yerba Buena Sports Arena	3,535,353		3,535,353	
Other	118,528		48,103	70,42
	<u>46,842,288</u>	<u>1,292,755</u>	<u>40,915,795</u>	<u>4,633,738</u>
Prior year's additions	<u>763,905,446</u>	<u>100,886,526</u>	<u>587,724,397</u>	<u>75,294,523</u>
	<u>\$810,747,734</u>	<u>\$102,179,281</u>	<u>\$628,640,192</u>	<u>\$79,928,261</u>

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO UNIFIED SCHOOL DISTRICT
AND SAN FRANCISCO COMMUNITY COLLEGE DISTRICT

BONDED INDEBTEDNESS
(EXCLUSIVE OF PUBLIC SERVICE ENTERPRISES)

JUNE 30, 1973

	<u>Date of issue</u>	<u>Interest rate percentage</u>	<u>Amount</u>
General City and County Schools			
1956 School			
Series B	12/1/58	3	\$ 245,000
Series C	6/1/59	3-1/4	60,000
Series D	2/1/60	3-1/2	620,000
Series E	10/1/60	3	990,000
Series F	7/1/61	3 and 3-1/4	660,000
Series G	3/1/62	2-3/4 and 3	560,000
Series H	9/1/64	2-3/4 and 3	955,000
1964 School			
Series A	9/1/65	3	1,080,000
Series B	11/1/66	4	2,385,000
Series C	3/1/68	3.90 to 4.10	5,635,000
Series D	2/1/69	4-1/4 to 4-1/2	3,300,000
Series E	2/1/70	5.80 to 6	4,080,000
Series F	1/1/71	3.60 to 5	6,415,000
			<u>26,985,000</u>
Boulevard and Roads			
1947 Street Improvements			
Series K	12/1/58	3	90,000
1964 Street Lighting			
Series A	9/1/65	3	225,000
Series B	11/1/66	4	830,000
Series C	3/1/68	4 and 4.10	400,000
Series D	2/1/69	4-1/4 to 4-1/2	1,170,000
Series E	1/1/71	3.60 to 5	1,205,000
1968 Market Street Reconstruction and Improvement			
Series A	2/1/70	6	8,100,000
Series B	2/1/72	3.30 to 4.80	1,025,000
Series C	5/1/73	4-1/2 to 6	5,250,000
1972 Street and Parkway Lighting			
Series A	5/1/73	4-1/2 to 6	<u>1,500,000</u>
			<u>19,795,000</u>
Sewers			
1954 Sewer			
Series C	12/1/58	3	175,000
Series D	2/1/60	3-1/2	130,000
Series E	4/1/63	2-1/2 to 2-3/4	550,000
Series F	3/1/68	4 to 4.10	230,000

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO UNIFIED SCHOOL DISTRICT
AND SAN FRANCISCO COMMUNITY COLLEGE DISTRICTBONDED INDEBTEDNESS
(EXCLUSIVE OF PUBLIC SERVICE ENTERPRISES)

JUNE 30, 1973

	<u>Date of issue</u>	<u>Interest rate percentage</u>	<u>Amount</u>
General City and County (Continued)			
Sewers (Continued)			
1960 Sewer			
Series A	3/1/62	2-3/4 and 3	\$ 1,300,000
Series B	9/1/64	2-3/4 and 3	2,345,000
Series C	9/1/65	3	175,000
Series D	2/1/69	4-1/4 to 4-1/2	1,650,000
1964 Sewer			
Series A	9/1/65	3	680,000
Series B	11/1/66	4	1,485,000
Series C	3/1/68	3.90 to 4.10	2,725,000
Series D	2/1/69	4-1/4 to 4-1/2	2,480,000
Series E	2/1/70	6	660,000
Series F	3/1/71	3.60 to 5	1,200,000
1968 Sewage and Water Pollution Control			
Series A	2/1/70	6	1,620,000
Series B	1/1/71	3.60 to 5	10,160,000
1970 Water Pollution Control			
Series A	2/1/72	3.30 to 4.80	12,790,000
Series B	5/1/73	4.50 to 6.00	<u>1,500,000</u>
			<u>41,855,000</u>
Parks and Playgrounds			
1955 Playgrounds and Recreation Centers			
Series C	12/1/58	3	40,000
Series D	2/1/60	3-1/2	40,000
Series E	10/1/60	3	195,000
Series F	3/1/62	2-3/4 and 3	260,000
Series G	9/1/64	2-3/4 and 3	315,000
Series H	2/1/72	3.30 to 4.80	375,000
1958 Recreation and Park			
Series A	2/1/60	3-1/2	180,000
Series B	7/1/61	3 to 3-1/4	60,000
1961 Fort Funston			
Series A	3/1/62	2-3/4 and 3	<u>300,000</u>
			<u>1,765,000</u>

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO UNIFIED SCHOOL DISTRICT
AND SAN FRANCISCO COMMUNITY COLLEGE DISTRICTBONDED INDEBTEDNESS
(EXCLUSIVE OF PUBLIC SERVICE ENTERPRISES)

JUNE 30, 1973

	<u>Date of issue</u>	<u>Interest rate percentage</u>	<u>Amount</u>
General City and County (Continued)			
Hospitals			
1954 San Francisco Hospital			
Series C	12/1/58	3	\$ 45,000
Series D	6/1/59	3-1/4	110,000
Series E	10/1/60	3	90,000
1965 Medical Center			
Series A	11/1/66	4	1,035,000
Series B	2/1/69	4-1/4 to 4-1/2	2,530,000
Series C	2/1/70	6	1,380,000
Series D	1/1/71	3.60 to 5.00	23,205,000
			<u>28,395,000</u>
Fire Protection			
1952 Firehouse			
Series D	2/1/60	3-1/2	40,000
Series E	7/1/61	3 and 3-1/4	60,000
1964 Fire Department			
Series A	9/1/65	3	600,000
Series B	3/1/68	3.90 to 4.10	2,540,000
1971 Fire Protection			
Series A	5/1/73	4-1/2 to 6	6,150,000
			<u>9,390,000</u>
Hall of Justice			
1956 Hall of Justice			
Series C	12/1/58	3	1,030,000
Series D	9/1/65	3	160,000
Series E	3/1/68	4 and 4.10	500,000
			<u>1,690,000</u>
Civic Center Auditorium			
1959 Civic Center Auditorium			
Improvement			
Series A	7/1/61	3 and 3-1/4	200,000
Series B	3/1/62	2-3/4 and 3	1,760,000
Series C	9/1/65	3	120,000
			<u>2,080,000</u>

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO UNIFIED SCHOOL DISTRICT
AND SAN FRANCISCO COMMUNITY COLLEGE DISTRICT

BONDED INDEBTEDNESS
(EXCLUSIVE OF PUBLIC SERVICE ENTERPRISES)

JUNE 30, 1973

	<u>Date of issue</u>	<u>Interest rate percentage</u>	<u>Amount</u>
General City and County (Continued)			
de Young Museum			
1960 de Young Museum			
Series A	4/1/63	2-1/2 and 2-3/4	\$ <u>925,000</u>
Palace of Fine Arts			
1959 Palace of Fine Arts			
Series A	9/1/64	2-3/4 and 3	<u>840,000</u>
Juvenile Court			
1964 Log Cabin Ranch			
Series A	11/1/66	4	630,000
Series B	3/1/68	4 to 4.10	<u>175,000</u>
			<u>805,000</u>
San Francisco Community College			
District			
1969 Student Union Revenue Bonds	4/1/69	3	<u>540,000</u>
Total General City and County			<u>\$135,065,000</u>



THE CITY AND COUNTY OF SAN FRANCISCO
PUBLIC SERVICE ENTERPRISES
INDIVIDUAL FUND BALANCE SHEETS

JUNE 30, 1973

		A S S E T S								
	Cash	Accounts receivable	Interfund accounts receivable	Deferred charges	Unsold bonds	Amounts to be provided for payment of bond principal	Materials and supplies	Total		
General Fund - Streets	\$ 1,197,456	2,166,103	\$ 1,005,306				\$ 100,700	\$ 15,269,565		
General Fund - Streets						\$ 3,000,000		3,000,000		
General Fund - Streets	47,583							47,583		
General Fund - Streets	2,118,366	15,867				16,270,000		19,004,013		
General Fund - Streets	15,781,409	2,181,710	1,005,306			19,270,000	100,700	37,321,168		
General Fund - Streets	16,118,611	1,780,047	7,312,061				627,233	21,897,955		
General Fund - Streets	5,499,191	3,118			539,000,000	88,835,000		96,561,369		
General Fund - Streets								39,000,000		
General Fund - Streets	15,277,802	1,787,225	7,312,061		39,000,000	88,835,000	627,233	155,539,321		
General Fund - Streets	2,169,273	65,859,037	3,779,671				693,274	78,601,255		
General Fund - Streets	23,868							23,868		
General Fund - Streets	8,293,151	65,879,037	3,779,671				693,274	78,625,123		
General Fund - Streets	14,592,722	2,314,770	4,131,673				41,712	21,080,877		
General Fund - Streets	16,785							16,785		
General Fund - Streets	60,733					3,670,000		3,730,733		
General Fund - Streets	1,329,046	5,620,520						6,949,566		
General Fund - Streets	175,654					4,000,000		4,175,654		
General Fund - Streets	33,756,029				31,900,000	56,810,000		120,566,029		
General Fund - Streets	9,928,969	7,935,290	4,131,673		31,900,000	62,480,000	41,712	156,417,646		
General Fund - Streets	1,761,436	1,464,299	22,054,815	539,818	147,000	157,000	355,571	27,675,939		
General Fund - Streets								304,000		
General Fund - Streets						1,477,000		1,477,000		
General Fund - Streets						2,165,000		2,815,000		
General Fund - Streets					550,000	2,340,000		2,340,000		
General Fund - Streets	1,160,427					39,675,000		40,835,427		
General Fund - Streets	603,018		16,989,190			19,900,000		37,492,208		
General Fund - Streets	19,986,556				16,000,000	20,000,000		55,988,556		
General Fund - Streets	25,513,437	1,464,299	39,064,005	39,818	16,697,000	85,816,000	355,571	166,928,130		
General Fund - Streets	113,670							113,670		
General Fund - Streets	73,019							73,019		
General Fund - Streets	114,583,327	581,227,601	555,272,716	539,818	985,597,000	5256,399,000	51,818,690	5594,917,952		

CITY AND COUNTY OF SAN FRANCISCO
PUBLIC SERVICE ENTERPRISES

INDIVIDUAL FUND BALANCE SHEETS

JUNE 30, 1973

	LIABILITIES AND FUND BALANCES							
	Total	Rounded debt	Accounts payable and commitments	Interfund accounts payable	Reserves	Deferred credits	Uncumbered appropriations	Unexpended balances
Hetch Hetchy Project								
Operating	\$ 15,269,565		\$ 2,097,642	\$ 1,294,851	\$ 104,700	\$ 178,124	\$ 6,858,654	\$ 4,735,994
1928 Water Bonds	3,000,000	\$ 3,000,000						
1949 Cherry Valley Dam Bonds	47,587						47,587	
1955 Hetch Hetchy Power Bonds	19,006,013	16,270,000	30,706	6,990	15,667		881,688	1,600,900
	<u>37,321,655</u>	<u>19,270,000</u>	<u>2,128,146</u>	<u>1,299,851</u>	<u>120,367</u>	<u>178,124</u>	<u>7,787,929</u>	<u>6,536,724</u>
San Francisco Water Department								
Operating	21,897,952		6,415,940	5,225,200	733,652	1,233,928	4,433,981	3,855,251
1961 Municipal Water System Bonds	94,541,369	88,835,000	644,564	2,669,700	7,178		2,027,525	337,455
1972 Municipal Water System Bonds	39,000,000							39,000,000
	<u>155,439,321</u>	<u>88,835,000</u>	<u>7,060,464</u>	<u>7,894,900</u>	<u>740,830</u>	<u>1,233,928</u>	<u>6,461,506</u>	<u>43,212,671</u>
Municipal Railway of San Francisco								
Operating	78,601,255		2,934,615	2,997,034	64,585,287	251,378	7,157,617	675,324
1967 Municipal Railway Rehabilitation	23,868						23,868	
	<u>78,625,123</u>		<u>2,934,615</u>	<u>2,997,034</u>	<u>64,585,287</u>	<u>251,378</u>	<u>7,181,485</u>	<u>675,324</u>
San Francisco International Airport								
Operating	21,080,877		4,134,734	1,268,505	206,287	141,070	12,704,614	2,627,667
Special Aviation	16,785						16,100	2,685
1956 Airport Bonds	3,730,733	3,670,000					60,733	
Federal Airport Project	6,949,566		336,531	236,000	5,761,680		593,355	
1962 Airport Bonds	4,175,654	4,000,000	2,401				173,253	
1967 Airport Bonds	120,464,092	56,810,000	2,905,801	3,419,473			36,122,303	23,206,252
	<u>156,417,644</u>	<u>62,480,000</u>	<u>7,379,467</u>	<u>4,923,978</u>	<u>5,985,967</u>	<u>141,070</u>	<u>49,670,558</u>	<u>25,836,604</u>
Port of San Francisco								
Operating	27,675,939		1,341,516	21,248,857	888,588	28,210	3,302,249	866,519
1909 India Basin Bonds	304,000	157,000						147,000
1909 Second San Francisco Seawall Bonds	1,477,000	1,477,000						
1913 Third San Francisco Seawall Bonds	2,415,000	2,365,000						
1929 Fourth San Francisco Seawall Bonds	2,340,000	2,340,000						550,000
1938 Fifth San Francisco Seawall Bonds	40,835,427	39,675,000	95,809	307,866			756,772	
1970 San Francisco Port Revenue Bonds	37,492,208	19,700,000		16,999,190				593,018
1971 Harbor Improvement Bonds	51,988,556	20,000,000	7,794,956	12,000			12,181,600	14,000,000
	<u>166,928,130</u>	<u>85,614,000</u>	<u>9,272,281</u>	<u>38,567,893</u>	<u>888,588</u>	<u>28,210</u>	<u>16,240,621</u>	<u>16,156,537</u>
Public Utilities Commission - Operating	113,670		16,337	58,399	1,000		2,094	35,640
	<u>73,099</u>		<u>69,259</u>	<u>3,840</u>				
and Interest and Redemption								
	<u>559,917,952</u>	<u>\$256,399,000</u>	<u>\$28,820,589</u>	<u>\$55,762,045</u>	<u>\$72,325,859</u>	<u>\$1,832,710</u>	<u>\$87,364,193</u>	<u>\$92,653,556</u>

**CITY AND COUNTY OF SAN JOSE
GENERAL FUND BALANCE SHEET
FUND BALANCE SHEET**

June 30, 1967

	Total	Assets (Debit)	Liabilities (Credit)	Net Position (Debit)	Net Position (Credit)	Total
Assets						
Cash	101,706,500	101,706,500				101,706,500
Accounts Receivable	23,425,402	23,425,402				23,425,402
Investments	350,489,899	350,489,899				350,489,899
Prepaid Expenses	98,290,918	98,290,918				98,290,918
Other Assets	663,283,817	663,283,817				663,283,817
Total Assets	1,095,195,526	1,095,195,526				1,095,195,526
Liabilities						
Accounts Payable	1,314,965	1,314,965				1,314,965
Deferred Charges	384,027	384,027				384,027
Other Liabilities	1,000	1,000				1,000
Total Liabilities	2,700,000	2,700,000				2,700,000
Net Position						
Capital Assets	111,288,339	111,288,339				111,288,339
General Fund	9,063,294	9,063,294				9,063,294
Other Funds	817,574	817,574				817,574
Total Net Position	121,169,207	121,169,207				121,169,207
Total	1,095,195,526	1,095,195,526				1,095,195,526

Total 1,095,195,526 1,095,195,526 2,700,000 121,169,207 1,095,195,526

Total 1,095,195,526 1,095,195,526 2,700,000 121,169,207 1,095,195,526

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STATE OF CALIFORNIA
COUNTY OF SAN FRANCISCO
MUNICIPAL RAILROAD
STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDING JUNE 30, 1973

REVENUE AND EXPENSE

	Total	General Fund	Municipal Railroad of San Francisco (1961-1969)	San Francisco County General Fund	San Francisco County General Fund	San Francisco County General Fund	San Francisco County General Fund
Operating Revenues	\$105,317,640		\$ 55,230,067	\$ 24,759,106	\$ 10,112,706	\$ 20,810,810	\$ 1,200,000
Operating Expenses	112,213,492		22,291,480	66,055,477	11,276,426	24,718,486	1,200,000
Operating Income (Loss)	(6,895,852)		(22,060,493)	2,211,776	1,362,266	1,091,324	1,200,000
Other Revenues	238,122			238,122			
Gain on Disposal of Property, Plant and Equipment	846,872			159,107			
Interest Earned	1,832,461			1,640,167			
Miscellaneous	2,917,435			2,037,394			
Total	6,308,218		102,117	1,004,342	1,203,104	888,581	1,200,000
Other Expenses	1,470,000			137,376	1,600,091	1,150,000	1,200,000
Miscellaneous	1,150,000						
Loss on Disposal of Property, Net	17,384						
Total	9,256,401		102,117	1,141,718	2,263,195	2,459,996	1,200,000
Net Income (Loss) for the Year	\$ (13,235,018)		\$ (27,152,610)	\$ 3,589,401	\$ 5,256,178	\$ 4,819,976	\$ 2,200,000
SURPLUS							
Surplus, July 1, 1972*	\$466,714,586		\$ 8,870,746*	\$126,451,961	\$161,640,608	\$106,391,699*	\$85,424,622
Net Income (Loss) for the Year	(13,235,018)		(27,152,610)	3,589,401	5,256,178	4,819,976	252,037
Contributions							
General City and County - Tax Support	22,336,459		22,336,459				
General City and County - Federal Revenue Sharing	4,768,605		4,768,605				
Federal and Other Grants	8,865,006		7,265,650				
Other							
Adjustment of Fixed Assets	(177,396)						
Surplus, June 30, 1973	\$499,274,772		\$ 15,504,850	\$128,041,362	\$166,896,786	\$112,713,559	\$86,082,063

* NOTE: Surplus at July 1, 1972 has been restated in accordance with separate reports for the Municipal Railway and the Airport.

CITY AND COUNTY OF SAN FRANCISCO
PUBLIC SERVICE ENTERPRISES
NOTES TO SUPPLEMENTARY INFORMATION

INTERFUND RECEIVABLES AND PAYABLES

1. Reclassifications

Various receivables and/or payables of the Municipal Railway, Water Department, Hetch Hetchy, and the Airport have been reclassified from those presented in the individual and separate accountant's reports. The reclassifications were necessary to correct errors in distinguishing between general city and county departments and public service enterprises.

2. Time Differences

The combined reclassified amount due to public service enterprises exceeds the combined amount due from public service agencies by \$14,497. This is the net result of a number of instances where one department has accrued a revenue or an expense and another department has failed to do so at the June 30 closing.

REFERENCE NOTE

Attention is directed to the audit report which we submitted for the Port of San Francisco, and to the audit reports submitted by other certified public accountants and included in the Annual Report of the Controller in respect to other contingent liabilities and other notes which accompany these financial statements.



San Francisco Water Department
AND
HETCH HETCHY WATER SUPPLY AND POWER PROJECT
●
REPORT ON EXAMINATION OF ACCOUNTS
YEAR ENDED JUNE 30, 1973



JOHN F. FORBES & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

MEMBER OF THE
AMERICAN GROUP OF C.P.A. FIRMS
AND THE
MANN JUDD INTERNATIONAL GROUP
WITH OFFICES THROUGHOUT THE WORLD

ONE ELEVEN SUTTER STREET
SAN FRANCISCO 94104

REPORT OF CERTIFIED PUBLIC ACCOUNTANTS

The Honorable Nathan B. Cooper, Controller,
City and County of San Francisco,
San Francisco, California:

We have examined the combined balance sheet of the San Francisco Water Department and Hetch Hetchy Project as of June 30, 1973, and the related combined statements of income and net capital investment and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. The financial statements for the preceding year were examined and reported on by other independent certified public accountants.

In our opinion, the statements referred to above present fairly the financial position of the San Francisco Water Department and Hetch Hetchy Project at June 30, 1973, and results of their operations and changes in financial position for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

John F. Forbes & Company

San Francisco, California

October 17, 1973

CITY AND COUNTY OF SAN FRANCISCO

WATER DEPARTMENT AND HETCH HETCHY PROJECT

COMBINED STATEMENT OF INCOME AND NET CAPITAL INVESTMENT
YEARS ENDED JUNE 30, 1973 AND 1972

	1973	1972
OPERATING REVENUES (Note 1):		
Water sales.....	\$ 26,759,102	\$ 27,413,094
Electrical energy sales.....	14,635,098	14,501,597
	<u>41,394,200</u>	<u>41,914,691</u>
OPERATING EXPENSES (Notes 1 and 5):		
Purchases of electrical energy.....	2,333,464	879,489
Production.....	1,259,076	919,314
Source of supply.....	1,389,944	1,274,622
Pumping.....	555,439	517,716
Water treatment.....	1,298,878	992,380
Transmission and distribution.....	8,014,056	7,619,190
Commercial (customers' accounts and sales expense).....	1,059,948	1,086,954
Administration and general (Note 1).....	6,794,651	6,800,327
Property taxes (Note 1).....	2,003,657	1,898,133
Depreciation (Note 1).....	6,606,366	6,310,581
	<u>31,315,479</u>	<u>28,298,706</u>
OPERATING INCOME.....	<u>10,078,721</u>	<u>13,615,985</u>
OTHER INCOME:		
Gains from disposition of property, net..	238,122	304,447
Rentals received (including crop sales)..	940,710	718,888
Interest earned.....	159,105	143,240
Miscellaneous.....	853,834	1,058,597
	<u>2,191,771</u>	<u>2,225,172</u>
OTHER DEDUCTIONS:		
Interest on bonded debt.....	2,207,446	2,344,066
Agricultural division, rental and crop expenses.....	82,264	136,441
Power plant and city overhead lines expense.....	1,025,262	939,715
Miscellaneous.....	109,941	128,335
	<u>3,424,913</u>	<u>3,548,557</u>
NET INCOME.....	8,845,579	12,292,600
NET CAPITAL INVESTMENT:		
Balance, beginning of year.....	266,092,569	257,049,969
Less contribution to San Francisco Municipal Railway.....		3,250,000
Balance, end of year.....	<u>\$274,938,148</u>	<u>\$266,092,569</u>

See notes to financial statements.

CITY AND COUNTY OF SAN FRANCISCO

WATER DEPARTMENT AND HETCH HETCHY PROJECT

COMBINED STATEMENT OF CHANGES IN FINANCIAL POSITION
YEARS ENDED JUNE 30, 1973 AND 1972

	1973	1972
SOURCE OF CASH:		
Operations:		
Net income.....	\$ 8,845,579	\$12,292,600
Add depreciation (including \$90,525 and \$97,573 automobile depreciation allocated to other expense categories) which did not reduce cash (Note 1).....	6,696,891	6,408,154
Total provided from operations.....	15,542,470	18,700,754
Contribution from Federal government for flood control protection to be provided by Don Pedro Dam.....		1,025,978
Contribution from the State of California pursuant to the Davis Grunsky Act in connection with Don Pedro Dam.....		3,951,286
Proceeds from sale of 1961 Municipal Water System Bonds, Series K (1973) and Series J (1972) (Note 3).....	1,480,000	2,195,000
Net increase (decrease) in other liabilities.....	207,421	(275,505)
	<u>17,229,891</u>	<u>25,597,513</u>
APPLICATION OF CASH:		
Net additions to property, plant, and equipment.....	12,173,626	18,363,723
Payments of bonded debt.....	7,833,000	8,080,000
Net increase (decrease) in other assets....	468,814	(1,227,735)
Contribution to San Francisco Municipal Railway.....		3,250,000
	<u>20,475,440</u>	<u>28,465,988</u>
(DECREASE) IN CASH.....	(3,245,549)	(2,868,475)
CASH, BEGINNING OF YEAR.....	<u>33,612,302</u>	<u>36,480,777</u>
CASH, END OF YEAR.....	<u>\$30,366,753</u>	<u>\$33,612,302</u>

See notes to financial statements.

CITY AND COUNTY OF SAN FRANCISCO

WATER DEPARTMENT AND HETCH HETCHY PROJECT

NOTES TO FINANCIAL STATEMENTS, JUNE 30, 1973

NOTE:

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Combined Financial Statements

The financial statements, as provided by the Charter of the City and County of San Francisco, reflect the combined statements of the Water Department and Hetch Hetchy Project. Intrafund water sales, standby charges, receivables, and payables have been eliminated.

Section 3.592 of the Charter of the City and County of San Francisco requires that Hetch Hetchy Project, on completion, be merged with the Water Department. A charter amendment has been approved by the electorate to permit a merger prior to physical completion, upon recommendation by the Public Utilities Commission and approval by the Board of Supervisors by a two-thirds vote. The Public Utilities Commission does not consider it to be in the public interest to merge these departments at this time.

Property, Plant, and Equipment

Property, plant, and equipment are stated substantially at cost. Acquisitions are recorded at cost. Projects are capitalized when completed. Interest paid on bonded indebtedness is capitalized during the construction of major projects.

As provided in the Charter of the City and County of San Francisco, the Public Utilities Commission makes an appraisal every five years of the properties and reviews the estimated remaining lives and undepreciated value. An appraisal of the properties as of June 30, 1973, is currently under review. The result of this review will be used to determine depreciation beginning July 1, 1973. Depreciation for the year ended June 30, 1973 in the amount of \$6,696,891 was based on the appraisal of June 30, 1968.

CITY AND COUNTY OF SAN FRANCISCO
WATER DEPARTMENT AND HETCH HETCHY PROJECT
NOTES TO FINANCIAL STATEMENTS, JUNE 30, 1973

Depreciation is computed on the straight line method over the estimated useful lives of the assets. A full year's depreciation is taken in the year following acquisition or completion of a project.

Construction in Progress

Construction in progress represents Hetch Hetchy Project and Water Department projects and those contracts awarded outside contractors.

Construction Contracts and Work Orders

Construction contracts and work orders for other departments are recorded under the completed contract method.

Materials and Supplies

Materials and supplies inventories are valued at average cost which is lower than market.

Operating Revenue and Property Tax Expense

Revenues from water and power services furnished to consumers are taken into income when billed. In general, major industrial consumers of water and all consumers of electrical energy are billed monthly. All other customers are billed bimonthly. The billing operation is on a cyclic basis for consumption in the preceding one or two month period.

The combined statement of income includes \$1,523,449 for water delivered without charge to certain San Francisco municipal departments. An equal amount is reflected in administration and general expense for the estimated municipal property tax expense. The amounts were computed in accordance with the Charter of the City and County of San Francisco which provides that the accounts of each utility shall reflect the estimated taxes against property and the revenue of the utility as if it were privately owned and operated.

CITY AND COUNTY OF SAN FRANCISCO
 WATER DEPARTMENT AND HETCH HETCHY PROJECT
 NOTES TO FINANCIAL STATEMENTS, JUNE 30, 1973

2. CONSUMERS' ACCOUNTS RECEIVABLE

The Water Department, on acquisition of the facilities of the Spring Valley Water Company, assumed contracts which entitled certain consumers to receive water either at reduced rates or free of charge. Based upon a legal opinion of the City Attorney that the contracts were illegal and unenforceable, these consumers were billed at normal scheduled rates. Included in accounts receivable at June 30, 1973 is the amount of \$277,129 representing the difference between billings at the normal rate schedule and payments received therefore according to the terms of the assumed contracts. In addition, certain consumers paid, under protest, the normal scheduled rates amounting to \$59,584. A provision for loss of the two amounts has been included in the allowance for doubtful accounts.

3. BONDED DEBT

In general, the combined bonded debt of \$108,134,000, incurred upon the general faith and credit of the City and County of San Francisco, matures serially in varying annual amounts through 1993. Interest is payable semiannually at rates varying from 1/2% to 6%. Maturities for the succeeding five years are summarized as follows:

Year Ending <u>June 30</u>	<u>Total</u>	<u>Water Department</u>	<u>Hetch Hetchy Project</u>
Matured.....	\$ 29,000	\$ 3,000	\$ 26,000
1974.....	9,465,000	2,691,376	6,773,624
1975.....	9,465,000	2,691,371	6,773,629
1976.....	9,470,000	2,691,373	6,778,627
1977.....	9,475,000	2,694,799	6,780,201
1978.....	9,475,000	2,694,801	6,780,199
Due after 1978 to 1993.....	60,755,000	20,708,140	40,046,860
	<u>\$108,134,000</u>	<u>\$34,174,860</u>	<u>\$73,959,140</u>

CITY AND COUNTY OF SAN FRANCISCO
 WATER DEPARTMENT AND HETCH HETCHY PROJECT
 NOTES TO FINANCIAL STATEMENTS, JUNE 30, 1973

Details of the approved bond issues as of June 30, 1973 were as follows:

1961 MUNICIPAL WATER SYSTEM BONDS

The entire bond issue of \$115,000,000 had been issued as of June 30, 1973, with \$48,000,000 allocated to the Water Department and \$67,000,000 to Hetch Hetchy Project.

The proceeds from the 1961 bond issue were used for the improvement of the municipal water supply system and for the enlargement of Don Pedro Dam for storage of water allocated to irrigation districts under the Raker Act to augment the storage capacity of the Hetch Hetchy system. The expenditures from this fund to June 30, 1973, were as follows:

	<u>Total</u>	<u>Water Department</u>	<u>Hetch Hetchy Project</u>
Projects completed..	\$ 74,559,944	\$54,103,194	\$20,456,750
Equipment.....	181,787	152,811	28,976
Included in utility plant in service..	74,741,731	54,256,005	20,485,726
Construction in progress.....	2,716	2,716	
Don Pedro Dam construction in progress.....	50,198,747		50,198,747
	124,943,194	54,258,721	70,684,473
Less interest capitalized.....	14,806,593	3,807,339	10,999,254
Total expenditures from proceeds of bonds sold.....	<u>\$110,136,601</u>	<u>\$50,451,382</u>	<u>\$59,685,219</u>

Approximately \$5,400,000 of the bond funds originally allocated to Hetch Hetchy Project have been transferred to the Water Department.

CITY AND COUNTY OF SAN FRANCISCO
WATER DEPARTMENT AND HETCH HETCHY PROJECT
NOTES TO FINANCIAL STATEMENTS, JUNE 30, 1973

1955 HETCH HETCHY POWER BONDS

The proceeds from the 1955 bond issue were used to pay the cost of planning, designing, construction and completion of two power plants, Cherry and Canyon projects, located in Tuolumne County.

The entire bond issue of \$54,000,000 was sold and project costs to June 30, 1973, paid from the bond issue, are summarized as follows:

Cherry Project.....	\$31,799,129
Canyon Project.....	27,092,143
Equipment.....	<u>50,953</u>
Included in utility plant in service...	58,942,225
Less interest capitalized.....	<u>7,658,131</u>
Total expenditures from proceeds of bonds sold.....	<u>\$51,284,094</u>

4. DEPOSITS RECEIVED ON LAND CONDEMNATION PROCEEDINGS

Deposits in the amount of \$3,500,000 represent the proceeds received from the State of California for certain land acquired by the State under land condemnation proceedings. The Water Department has deferred recognition of the sale until disputes regarding the value of the land have been settled. In the opinion of the Water Department the disputes will be settled during the fiscal year ending June 30, 1974.

5. PENSION PLAN

The Water Department and Hetch Hetchy Project, as part of the City and County of San Francisco, participate in a compulsory contributory retirement plan for full time employees, integrated with Social Security benefits. Pension costs for the year were approximately \$1,365,000.

CITY AND COUNTY OF SAN FRANCISCO
WATER DEPARTMENT AND HETCH HETCHY PROJECT
NOTES TO FINANCIAL STATEMENTS, JUNE 30, 1973

6. COMMITMENTS AND CONTINGENT LIABILITIES

Commitments for materials and services not received at
June 30, 1973 were as follows:

Water Department.....	\$ 9,060,392
Hetch Hetchy Project.....	<u>2,460,737</u>
	<u>\$11,521,129</u>

The above amount includes work to be completed on work in progress for which contracts have been awarded.

The Water Department has been charged with the responsibility of collecting the sewer service charge and utility users tax for the taxing authorities of the City and County of San Francisco. The Department includes this charge with their billings to consumers; however, no liability exists until monies are received. At June 30, 1973, these charges outstanding were \$681,343 which amount is not reflected in the financial statements.

The Water Department and Hetch Hetchy Project were contingently liable in connection with various property damage, personal injury, and other matters at June 30, 1973. According to the City Attorney, the claims pending approximated \$1,254,000 for the Water Department and \$100,000 for Hetch Hetchy Project. The actual total liability is not ascertainable at this time. The City Attorney estimates that the ultimate litigated claims should not exceed \$460,000 for the Water Department and \$100,000 for Hetch Hetchy Project.

Major types of insurance risks are placed with independent insurance carriers; however, the Water Department and Hetch Hetchy Project act as self-insurers against losses from workmen's compensation claims and certain other liability and property casualty losses. Injury and damage reserves of \$75,000 for the Water Department and \$15,000 for Hetch Hetchy Project have been provided for in the accompanying financial statements.

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SAN FRANCISCO 94104

REPORT OF CERTIFIED PUBLIC ACCOUNTANTS ON SUPPLEMENTAL INFORMATION

The Honorable Nathan B. Cooper, Controller,
City and County of San Francisco,
San Francisco, California:

The financial statements of the Water Department and Hetch Hetchy Project and our report thereon are presented in the preceding section. The supplemental information presented hereinafter has been subjected to the audit procedures applied in the examination of the financial statements, and in our opinion is fairly stated. However, it is not considered necessary for a fair presentation of the financial position and the results of operations and changes in financial position.

John F. Forbes & Company

San Francisco, California

October 17, 1973

CITY AND COUNTY OF SAN FRANCISCO

WATER DEPARTMENT AND HETCH HETCHY PROJECT

COMBINING BALANCE SHEET, JUNE 30, 1973

A S S E T S		COMBINED	ELIMINATIONS	WATER DEPARTMENT	HETCH HETCHY PROJECT
PROPERTY, PLANT, AND EQUIPMENT:					
Useful plant in service:					
Water rights and other intangible assets.....	\$	5,958,543		\$ 3,222,913	\$ 2,735,630
Tangible plant.....		435,083,663		212,259,323	222,824,340
Utility plant not in service - Tangible plant.....		655,030		655,030	
Other physical property.....		409,634			409,634
Less accumulated depreciation.....		442,106,870		216,137,266	225,969,604
Construction work in progress.....		141,298,884		62,877,066	78,421,818
Property, plant, and equipment, net.....		300,807,986		153,260,200	147,547,786
CASH:		25,664,152		4,613,447	51,050,705
On deposit with Treasurer.....		356,472,138		157,873,647	198,598,491
Revolving funds.....		30,332,753		13,477,158	16,855,595
Total cash.....		34,000		30,000	4,000
ACCOUNTS RECEIVABLE:		30,366,753		13,507,158	16,859,595
Consumers' accounts.....		4,493,533		2,468,712	2,024,821
Rentals, claims, and miscellaneous.....		432,859		401,280	31,579
Less allowance for doubtful accounts.....		4,926,392		2,869,992	2,056,400
Accounts receivable, net.....		401,470		387,264	14,206
INTERFUND ACCOUNTS RECEIVABLE:		4,528,922		2,482,728	2,042,194
General city departments and funds.....		124,507		100,671	23,836
Other public service departments.....		58,408	\$5,830,393	70,908	5,817,893
Total interfund accounts receivable.....		182,915	5,830,393	171,579	5,841,729
OTHER ASSETS:					
Materials and supplies.....		727,933		627,233	100,700
Unbilled work orders and deposits.....		653,188		646,086	7,102
Total other assets.....		1,381,121		1,273,319	107,802
		\$392,927,849	\$5,830,393	\$175,308,431	\$223,449,811

(Continued) - 1.

CITY AND COUNTY OF SAN FRANCISCO
WATER DEPARTMENT AND HETCH HETCHY PROJECT
COMBINING BALANCE SHEET, JUNE 30, 1973

NET CAPITAL INVESTMENT				WATER DEPARTMENT		HETCH HETCHY PROJECT	
LIABILITIES AND				ELIMINATIONS			
				COMBINED			
BONDED DEBT:							
Matured bonds not presented for payment.....		\$	29,000		\$	3,000	\$ 26,000
Maturing within one year.....			9,465,000			2,691,376	6,773,624
Maturing subsequent to June 30, 1974.....			98,640,000			31,480,484	67,159,516
Total bonded debt.....			108,134,000			34,174,860	73,959,140
BOND INTEREST PAYABLE:							
Matured coupons not presented for payment.....			26,211				26,211
Due July 1, 1973.....			189,514				189,514
Accrued due subsequent to July 1, 1973.....			1,123,657				1,123,657
Total bond interest payable.....			1,339,382				1,339,382
ACCOUNTS PAYABLE:							
Warrants outstanding and payroll deductions payable.....			560,891			461,666	99,225
Accounts payable.....			2,564,924			1,760,490	804,434
Accrued payroll.....			806,382			612,035	194,347
Retained percentages due contractors.....			237,944			229,280	8,664
Total accounts payable.....			4,170,141			3,063,471	1,106,670
INTERFUND ACCOUNTS PAYABLE:							
General city departments and funds.....			324,497			241,553	82,944
Other public service departments.....			16,600	\$5,830,393		5,817,893	29,100
Total interfund accounts payable.....			341,097	5,830,393		6,059,446	112,044
DEPOSITS AND CONSTRUCTION ADVANCES.....							
			415,081			394,292	20,789
RESERVES AND DEFERRED CREDITS:							
Deposits received on land condemnation proceedings.....			3,500,000			3,500,000	
Injuries and damage reserve.....			90,000			75,000	15,000
Total reserves and deferred credits.....			3,590,000			3,575,000	15,000
NET CAPITAL INVESTMENT.....							
			274,938,148			128,041,362	146,896,786
			\$392,927,849	\$5,830,393		\$175,308,431	\$223,449,811

(Concluded) - 2.

CITY AND COUNTY OF SAN FRANCISCO

WATER DEPARTMENT AND HETCH HETCHY PROJECT

COMBINING STATEMENT OF INCOME AND NET CAPITAL INVESTMENT YEAR ENDED JUNE 30, 1973

	COMBINED	ELIMINATIONS	WATER DEPARTMENT	HETCH HETCHY PROJECT
OPERATING REVENUES:				
Water sales.....	\$ 26,759,102	\$5,500,000	\$ 26,759,102	\$ 5,500,000
Electrical energy sales.....	14,635,098			14,635,098
	<u>41,394,200</u>	<u>5,500,000</u>	<u>26,759,102</u>	<u>20,135,098</u>
OPERATING EXPENSES:				
Standby charges and purchases of water.....	2,333,464	5,500,000		2,333,464
Purchases of electrical energy.....	1,259,076			1,259,076
Production.....	1,389,944		1,389,944	
Source of supply.....	555,439		555,439	
Water treatment.....	1,298,878		1,298,878	
Transmission and distribution.....	8,014,056		4,645,801	3,368,255
Commercial (customers' accounts and sales expense).....	1,059,948		1,059,948	
Administration and general.....	6,794,651		4,928,360	1,866,291
Property taxes.....	2,003,657		1,562,185	441,472
Depreciation.....	6,606,366		3,104,822	3,501,544
	<u>31,315,479</u>	<u>5,500,000</u>	<u>24,045,377</u>	<u>12,770,102</u>
OPERATING INCOME.....	<u>10,078,721</u>		<u>2,713,725</u>	<u>7,364,996</u>
OTHER INCOME:				
Gains from dispositions of property, net.....	238,122		238,122	
Rentals received (including crop sales).....	940,710		919,595	21,115
Interest earned.....	159,105		159,105	
Miscellaneous.....	853,834		720,572	133,262
	<u>2,191,771</u>		<u>2,037,394</u>	<u>154,377</u>
OTHER DEDUCTIONS:				
Interest on bonded debt.....	2,207,446		1,004,342	1,203,104
Agricultural division, rental and crop expenses.....	82,264		82,264	
Power plant and city overhead lines expense.....	1,025,262		75,112	1,025,262
Miscellaneous.....	109,941			34,829
	<u>3,424,913</u>		<u>1,161,718</u>	<u>2,263,195</u>
NET INCOME.....	<u>8,845,579</u>		<u>3,589,401</u>	<u>5,256,178</u>
NET CAPITAL INVESTMENT:				
Balance, June 30, 1972.....	266,092,569		124,451,961	141,640,608
Balance, June 30, 1973.....	<u>\$274,938,148</u>		<u>\$128,041,362</u>	<u>\$146,896,786</u>

CITY AND COUNTY OF SAN FRANCISCO

WATER DEPARTMENT AND HETCH HETCHY PROJECT

COMBINING STATEMENT OF CHANGES IN FINANCIAL POSITION

YEAR ENDED JUNE 30, 1973

	COMBINED	ELIMINATIONS	WATER DEPARTMENT	HETCH HETCHY PROJECT
SOURCE OF CASH:				
Operations:				
Net income.....	\$ 8,845,579		\$ 3,589,401	\$ 5,256,178
Add depreciation which did not reduce cash.....	6,696,891		3,186,361	3,509,930
Total provided from operations.....	15,542,470		6,776,362	8,766,108
Proceeds from sale of 1961 Municipal Water System Bonds Series K (1973).....	1,480,000		1,014,836	465,164
Net increase in other liabilities.....	207,421	\$5,463,187	5,466,628	203,980
	17,229,891	5,463,187	13,257,826	9,435,252
APPLICATION OF CASH:				
Net additions to property, plant, and equipment.....	12,173,626		9,527,501	2,646,125
Payments of bonded debt.....	7,833,000		2,526,304	5,306,196
Net increase in other assets.....	1,468,814	5,463,187	11,335	5,920,666
	20,475,440	5,463,187	12,065,640	13,872,987
INCREASE (DECREASE) IN CASH.....	(3,245,549)		1,192,186	(4,437,735)
CASH, JULY 1, 1972.....	33,612,302		12,314,972	21,297,330
CASH, JUNE 30, 1973.....	\$30,366,753		\$13,507,158	\$16,859,595

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CITY AND COUNTY OF SAN FRANCISCOWATER DEPARTMENT AND HETCH HETCHY PROJECTCOMBINING SUMMARY OF CONSTRUCTION WORK IN PROGRESS,
JUNE 30, 1973

	EXPENDED TO JUNE 30, 1973	ESTIMATED AMOUNT NEEDED TO COMPLETE	ESTIMATED YEAR OF COMPLETION
WATER DEPARTMENT:			
Design, plans and specifications, and cost estimates for proposed balancing reservoir.....	\$ 251,411	\$ 8,000	1974
Construction of balancing reservoir near Crystal Springs by-pass tunnel.....	1,554,633	3,062,860	1974
Relocate and lay mains.....	1,518,457	1,329,612	1973
Enlarge Sunol Valley filtration plant.....	197,824	4,500,000	1975
Central data acquisition and control system.....	45,037	323,000	1974
Design and install cathodic protection system.....	95,616	35,000	1973
Construction of caretaker's cottage, Turner Dam.....	51,262	12,000	1973
Repair Dumbarton Pipeline Bridge.....	11,077	197,823	1974
Balboa Reservoir.....	659,432	3,000,000	1976
Central communications system.....	21,500	1,500,000	1973
Renew services in San Francisco.....	186,184	Undeterminable	1974
Other miscellaneous projects.	<u>21,014</u>	259,900	Various
Total Water Department.....	<u>4,613,447</u>		

(Continued) - 1.

CITY AND COUNTY OF SAN FRANCISCO

WATER DEPARTMENT AND HETCH HETCHY PROJECT

COMBINING SUMMARY OF CONSTRUCTION WORK IN PROGRESS, JUNE 30, 1973

	EXPENDED TO JUNE 30, 1973	ESTIMATED AMOUNT NEEDED TO COMPLETE	ESTIMATED YEAR OF COMPLETION
HETCH HETCHY PROJECT:			
Install spillway drum gates at Moccasin.....	\$ 80,258	\$ 270,000	1974
Motorize valves, San Joaquin pipeline.....	59,166		1973
Improvements to storm drainage system at Moccasin.....	31,709		1973
Municipal railway system projects.....	437,886	29,500,000	1977
Emergency repairs, leaks in tunnels.....	29,288	20,000	1973
Waste discharge report.....	39,421	71,000	1974
Power and marketing studies Compressed air services project at Moccasin.....	37,937	20,000	Various
Paint interior of Holmes powerhouse.....	10,781		1973
Other miscellaneous projects	11,222		1973
	<u>114,290</u>	Undeterminable	Various
	851,958		
Don Pedro Dam:			
Expenditures.....	54,765,379		
Net interest capitalized..	<u>4,848,654</u>		
	59,614,033		
Less:			
Flood control payments by Federal Government.	5,464,000		
Payments received under Davis Grunsky Act.....	<u>3,951,286</u>		
	50,198,747		
Total Hetch Hetchy Project	<u>51,050,705</u>		
COMBINED TOTAL.....	<u>\$55,664,152</u>		

(Concluded) - 2.

CITY AND COUNTY OF SAN FRANCISCO

WATER DEPARTMENT AND HETCH HETCHY PROJECT

COMBINING SUMMARY OF BONDED INDEBTEDNESS, JUNE 30, 1973

DESCRIPTION	DATE OF ISSUE	INTEREST RATE	TOTAL	WATER DEPARTMENT	HETCH HETCHY PROJECT
UNMATURED:					
Hetch Hetchy Water.....	July 1, 1928	4-1/2%	\$ 3,000,000		\$ 3,000,000
1955 Hetch Hetchy Power:					
Series A.....	November 1, 1957	3%	3,275,000		3,275,000
Series B.....	May 1, 1958	2-1/2-2-3/4%	1,350,000		1,350,000
Series C.....	December 1, 1958	3%	630,000		630,000
Series D.....	June 1, 1959	3-3-3/4%	630,000		630,000
Series E.....	February 1, 1960	1-6%	1,575,000		1,575,000
Series F.....	October 1, 1960	1-3-1/4%	6,000,000		6,000,000
Series G.....	September 1, 1964	1/4-6%	2,810,000		2,810,000
Series H.....			16,270,000		16,270,000
1961 Municipal Water System:					
Series A.....	March 1, 1962	2-1/2-3%	3,175,000	\$ 2,177,096	997,904
Series B.....	April 1, 1963	2-1/4-5%	12,950,000	8,879,815	4,070,185
Series C.....	September 1, 1964	1/4-6%	1,550,000	1,062,835	487,165
Series D.....	September 1, 1965	2-3/4-5%	5,315,000	3,644,495	1,670,505
Series E.....	November 1, 1966	1/4-6%	12,250,000	8,399,827	3,850,173
Series F.....	August 1, 1967	3-7-5-2%	39,000,000		39,000,000
Series G.....	March 1, 1968	3-9-5-4%	4,375,000	2,999,937	1,375,063
Series H.....	March 1, 1969	4-6-5-4%	2,800,000	1,919,960	880,040
Series I.....	January 1, 1971	3-5-5%	3,855,000	2,643,374	1,211,626
Series J.....	February 1, 1972	4-5-5-25%	2,085,000	1,429,685	655,315
Series K.....	May 1, 1973	4-5-6%	1,480,000	1,014,836	465,164
			88,835,000	34,171,860	54,663,140
			108,105,000	34,171,860	73,933,140
			29,000	3,000	26,000
MATURED.....					
			\$108,134,000	\$34,174,860	\$73,959,140



Municipal Railway of San Francisco



REPORT ON EXAMINATION OF ACCOUNTS

FOR THE FISCAL YEAR ENDED

JUNE 30, 1973

**HURDMAN AND
CRANSTOUN**

CERTIFIED PUBLIC ACCOUNTANTS • 650 CALIFORNIA STREET • SAN FRANCISCO, CALIFORNIA 94108

The Honorable Nathan B Cooper
Controller, City and County of San Francisco
San Francisco, California

We have examined the balance sheet of the San Francisco Municipal Railway as of June 30, 1973 and the related statements of loss, net capital investment, and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

The financial statements for the year 1972 which are presented for comparative purposes were examined by other auditors. As explained in Note 3, the financial statements for the year 1972 have been restated by capitalizing the equipment leased from the San Francisco Municipal Railway Improvement Corporation.

In our opinion, the financial statements identified above present fairly the financial position of the San Francisco Municipal Railway at June 30, 1973 and the results of its operations and the changes in its financial position for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year after giving retroactive effect to the change, with which we concur, in the method of accounting for equipment leases as described in Note 3 to the financial statements.

Hurdman and Cranstoun

Certified Public Accountants

September 28, 1973

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO MUNICIPAL RAILWAY
BALANCE SHEET

June 30, 1973 and 1972

	ASSETS		LIABILITIES AND NET CAPITAL INVESTMENT		Restated (Notes 1 and 3) 1972
	1973	1972	1973	1972	
Cash (on deposit with City Treasurer: 1973, \$8,248,341; 1972, \$4,996,715)	\$ 8,293,341	\$ 5,041,715		\$ 2,699,056	\$ 2,386,294
Accounts receivable:					
Federal Grants receivable	51,566,020	25,781,945		602,182	267,513
Reserve against Federal grants receivable	(51,566,020)	(25,781,945)			
Interfund:					
General City and County departments and funds	1,783,683	281,425		638,978	250,829
Public service departments	192,542	13,637		120,044	105,146
Miscellaneous	1,976,232	113,817		4,060,260	3,009,782
Materials and supplies	692,784	408,879			
Prepaid expenses	66,609	171,989		7,626,702	7,605,000
Federal grant advances to San Francisco Municipal Railway Improvement Corporation (Note 2)	8,983,775	6,047,796			
Property, plant, and equipment:				878,181	649,018
Roads and structures	19,463,149	19,462,731			
Equipment	26,181,651	26,081,103			
Power	1,708,286	1,708,229			
Less accumulated depreciation	47,353,026	47,252,063		8,154,027	10,826,536
Construction in progress	16,211,279	18,494,213			
	-	36,334			
	16,211,279	18,530,547		15,504,850	8,870,746
	\$36,224,020	\$30,961,082		\$36,224,020	\$30,961,082

The accompanying notes and summary of significant accounting policies are an integral part of the financial statements.

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO MUNICIPAL RAILWAY

STATEMENT OF LOSS

Years Ended June 30, 1973 and 1972

	1973	Restated (Note 3) 1972
Revenue from operations:		
Passenger	\$24,799,796	\$25,869,123
Advertising	385,000	379,351
Miscellaneous	46,191	-
Total revenue from operations	25,230,987	26,248,474
Expenses:		
Maintenance and repairs - ways and structures	1,119,974	1,255,873
Equipment	4,185,719	4,067,791
Power	1,744,614	1,694,177
Conducting transportation	26,933,980	25,003,403
General and administrative	10,521,273	11,851,553
Payroll taxes	1,428,463	1,060,091
Accident claims	3,817,636	1,788,218
Depreciation	2,433,455	2,460,799
Rent of leased equipment	32,366	32,366
Amortization of Transit Demonstration Project	64,000	64,010
Total expenses	52,281,480	49,278,281
Loss from operations	27,050,493	23,029,807
Other income and expense, net	102,117	169,765
Net loss	<u>\$27,152,610</u>	<u>\$23,199,572</u>

The accompanying notes and summary of significant accounting policies are an integral part of the financial statements.

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO MUNICIPAL RAILWAY

STATEMENT OF NET CAPITAL INVESTMENT

Years Ended June 30, 1973 and 1972

	Contributions Received	Accumulated Deficit	Net Capital Investment
Balance, June 30, 1971, as restated (Note 3)	\$154,949,726	(\$143,344,744)	\$11,604,982
Contributions received:			
From City and County of San Francisco:			
Tax support	17,184,445	-	17,184,445
Water Department - proceeds from sale of land	3,250,000	-	3,250,000
From Federal grants (Note 3)	30,891	-	30,891
Net loss for the year, as restated (Note 3)	<u>-</u>	<u>(23,199,572)</u>	<u>(23,199,572)</u>
Balance, June 30, 1972, as restated (Note 3)	175,415,062	(166,544,316)	8,870,746
Contributions received:			
From City and County of San Francisco:			
Tax support	22,336,459	-	22,336,459
Revenue sharing	4,164,605	-	4,164,605
Share of Metropolitan Transportation Commission Grant	4,291,059	-	4,291,059
From Federal grants (Note 2)	2,994,591	-	2,994,591
Net loss for the year	<u>-</u>	<u>(27,152,610)</u>	<u>(27,152,610)</u>
Balance, June 30, 1973	<u>\$209,201,776</u>	<u>\$193,696,926</u>	<u>\$15,504,850</u>

The accompanying notes and summary of significant accounting policies are an integral part of the financial statements.

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO MUNICIPAL RAILWAY

STATEMENT OF CHANGES IN FINANCIAL POSITION

Years Ended June 30, 1973 and 1972

	<u>1973</u>	<u>Restated (Note 3) 1972</u>
<u>FUNDS WERE PROVIDED BY</u>		
Contributions:		
City and County of San Francisco:		
Tax support	\$23,336,459	\$17,184,445
Water Department - proceeds		
from sale of land	-	3,250,000
Revenue sharing	4,164,605	-
Share of Metropolitan		
Transportation Commission Grant	4,291,059	-
Federal grants (Note 2)	2,994,591	30,891
Increase in miscellaneous liabilities	1,279,641	-
Increase in accident claims liability	21,702	237,940
Decrease in accounts receivable	.	
and other assets	-	<u>270,710</u>
Total funds provided	<u>35,088,057</u>	<u>20,973,986</u>
<u>FUNDS WERE APPLIED TO</u>		
Operations:		
Net loss	27,152,610	23,199,572
Expenses not requiring		
funds - depreciation	<u>2,451,937</u>	<u>2,460,799</u>
Funds absorbed by operations	24,700,673	20,738,773
Property additions	132,669	226,533
Federal grant advances to San Francisco		
Municipal Railway Improvement		
Corporation (Note 2)	2,935,979	-
Decrease in miscellaneous liabilities	-	149,008
Increase in accounts receivable		
and other assets	1,394,601	-
Decrease in equipment lease		
contract obligations	<u>2,672,509</u>	<u>1,140,197</u>
Total funds applied	<u>31,836,431</u>	<u>22,254,511</u>
Increase (decrease) in cash	<u>\$ 3,251,626</u>	<u>(\$ 1,280,525)</u>

The accompanying notes and summary of significant accounting policies are an integral part of the financial statements.

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO MUNICIPAL RAILWAY

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

June 30, 1973

1 - Property, Plant, and Equipment

Property, plant, and equipment purchased subsequent to June 30, 1938 are stated at cost, except for the Market Street Extension, which is stated at appraised value as of September 30, 1944. Property, plant, and equipment acquired prior to June 30, 1938 are stated at appraised value as of that date. As provided in Section 128 of the Charter of the City and County of San Francisco, an appraisal of property, plant, and equipment is to be made at intervals of 5 years and is to include an inspection of the properties as well as a review of the estimated remaining life and depreciated value of the assets in order to determine reasonable annual depreciation. Depreciation for the current year in the amount of \$2,460,799 is based on straight-line rates established in the last appraisal made as of June 30, 1968 for equipment still on hand and based on cost for assets acquired since that date. No depreciation is taken in year of acquisition and a yearly amount is taken when an asset is disposed of.

2 - Materials and Supplies

Materials and supplies are generally stated at the lower of average cost or estimated scrap value.

3 - Accident Claims Liability

The Railway's liability for accident claims of \$7,626,702 was estimated by applying the average of the last 5 years' ratios of amounts paid to amounts originally claimed against the balance of claims pending at June 30, 1973.

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO MUNICIPAL RAILWAY

NOTES TO FINANCIAL STATEMENTS

June 30, 1973

Note 1 - Transit Equipment Program,
Transit Improvement Program,
and Power Improvement Program

Transit Equipment Program

The City and County of San Francisco entered into an Equipment Lease Agreement dated as of January 15, 1969 with San Francisco Municipal Railway Improvement Corporation, a nonprofit corporation formed for the purpose of acquiring and leasing to the Railway real and personal property to be used in the operation of the transportation system. As of June 30, 1973, the Improvement Corporation has issued \$21,000,000 in bonds for the purchase of 400 diesel motor coaches and 12 light rail cars. The leases are signed when the bonds are issued; however, lease payments generally do not begin until the equipment is placed in service.

Equipment Leases 1 and 2 cover the 400 diesel motor coaches and Equipment Lease 3 covers 12 light rail cars. Semiannual rental payments under Equipment Leases 1 and 2 commenced on February 1, 1970 and continue until February 1, 1977, at which time the Railway may exercise its option to acquire the diesel motor coaches for \$2. Semiannual rental payments under Equipment Lease 3 will commence on July 15, 1976, if the leased cars have then been delivered and accepted by the Railway. The payments under these leases are sufficient to pay debt service on the bonds issued by the Improvement Corporation as well as taxes, insurance, and administrative costs incurred by the Improvement Corporation.

The United States Department of Transportation approved a Federal grant to assist the Railway to acquire transportation equipment (see Note 2 to the financial statements for details). Under the aforementioned Agreement dated as of January 15, 1969, the Railway has agreed to advance all funds received under this grant to the Improvement Corporation. In turn, the Improvement Corporation will provide transportation equipment under lease to the Railway.

The bonds issued by the Improvement Corporation are liabilities of the Improvement Corporation only, and are not liabilities of the City. The equipment subject to the leases is owned by the Improvement Corporation and not by the Railway, and that equipment may never become the property of the Railway. The only obligation of the Railway with respect to this equipment is for the payment of rent under the leases. In accordance with these facts and legal relationships, the equipment would not constitute an asset of the Railway and interest on the bonds and depreciation of the equipment would not constitute expenses of the Railway.

However, since the terms and conditions of these leases meet the criteria for capitalization, as prescribed under generally accepted accounting principles and Accounting Principles Board Opinion Number 5, Equipment Leases 1 and 2 have been capitalized in these financial statements. Capitalization occurs at the time the equipment is placed in service which is generally when the lease payments commence. The method used in calculating the cost of the equipment and related liability is as follows:

- 1 - The equipment is recorded at its actual cost to the Improvement Corporation. Thereafter, the equipment is depreciated over its estimated useful life under the straight-line method.
- 2 - The related liability is initially equal to the actual cost of the equipment. Reduction of this liability occurs when the Improvement Corporation uses Federal grant monies and/or the lease payments exceed the actual net expenses of the Improvement Corporation.

The effect of capitalizing Equipment Leases 1 and 2 is detailed in Note 3 to the financial statements.

Transit Improvement Program

The City and County of San Francisco entered into a Facilities Lease Agreement dated as of December 1, 1971 with the San Francisco Municipal Railway Improvement Corporation. As of June 30, 1973, the Improvement Corporation has issued \$6,800,000 in bonds for the purchase of rails and a Subway Signal System.

Facilities Lease No 1A covers rails and accessories in sufficient quantity to rerail 34 miles of tract throughout the City. The lease term is for a period of 19 years, commencing February 1, 1974. Facilities Lease No 1B covers a Subway Signal System. The lease term is for a period of 17 years, commencing February 1, 1977. Both leases contain option to acquire the facilities upon expiration of the leases for \$1 each.

The United States Department of Transportation approved a Federal grant to assist the Railway to acquire transit facilities (see Note 2 to the financial statements for details). Under the aforementioned Agreement dated December 1, 1971, the Railway has agreed to advance all funds received under this grant to the Improvement Corporation. The terms and conditions of this Agreement are substantially the same as the Agreement under the Transit Equipment Program.

The improvements under Facilities Leases No 1A and 1B will be capitalized when the facilities are placed in service.

Power Improvement Program

This program consists of extensions and improvements for supplying direct current distribution to the Railway and the undergrounding of all power feeder lines. This program, which is estimated to cost \$30,000,000, will be financed from the following sources:

Federal grant	\$20,000,000
City and County of San Francisco local share furnished by Hetch Hetchy Project	<u>10,000,000</u>
	<u>\$30,000,000</u>

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO MUNICIPAL RAILWAY
NOTES TO FINANCIAL STATEMENTS
June 30, 1973

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Note 2 - Federal Grants Receivable and
Advances to San Francisco Municipal
Railway Improvement Corporation

The following is a detail of the Federal grants receivable:

	CAL-UTG-16 Two-Way Radios	CAL-UTG-22 Transit Equipment Program	CAL-WTD-16 Emission and Noise Control	CAL-UTG-43 Transit Improvement Program	Advances to San Francisco Municipal Railway Improvement Corporation
Initial grants approved as of June 30, 1971	\$95,352	\$ 6,047,796	\$60,000	\$ -	\$ -
Payments received prior to June 30, 1971	<u>(95,352)</u>	<u>(6,047,796)</u>	-	-	<u>6,047,796</u>
Balance, June 30, 1971	-	-	60,000	-	6,047,796
Amendments to existing grants during the year ended June 30, 1972	31,784	25,716,821	5,124	-	-
Payments received during the year ended June 30, 1972	<u>(30,891)</u>	-	-	-	-
Grants canceled during the year ended June 30, 1972	<u>(893)</u>	-	-	-	-
Balance, June 30, 1972	-	25,716,821	65,124	-	6,047,796
New grants approved during the year ended June 30, 1973	-	-	-	28,778,666	-
Payments received during the year ended June 30, 1973	<u>-</u>	<u>(2,531,542)</u>	<u>(58,612)</u>	<u>(401,430)</u>	<u>2,935,372</u>
	<u>\$ -0-</u>	<u>\$23,182,272</u>	<u>\$ 6,512</u>	<u>\$28,377,236</u>	<u>\$8,983,175</u>

Under agreements with the San Francisco Municipal Railway Improvement Corporation, the Railway has agreed to advance all federal grant monies received under the Transit Equipment Program and Transit Improvement Program (see Note 1 to the financial statements for pertinent details of these agreements).

Note 3 - Restatement of 1972
Financial Statements

Change in the method of accounting for equipment leased from San Francisco Municipal Railway Improvement Corporation requires restatement of the following accounts:

ACCUMULATED DEFICIT

Capitalization of Equipment Leases 1 and 2 (see Note 1 for details) have had the following effects on the Railway's financial statements:

Balance, June 30, 1971, as previously reported	(\$145,274,164)
Reduction of rent of leased equipment	4,618,585
Increase in interest expense	(733,215)
Increase in depreciation expense	<u>(1,955,950)</u>
Balance, June 30, 1971, as restated	(143,344,744)
Net loss for the year ended June 30, 1972, as previously reported	(23,908,107)
Reduction of rent of leased equipment	3,029,550
Increase in interest expense	(365,065)
Increase in depreciation expense	<u>(1,955,950)</u>
Net loss for the year ended June 30, 1972, as restated	<u>(23,199,572)</u>
Balance, June 30, 1972, as restated	<u>(\$166,544,316)</u>

CITY AND COUNTY OF SAN FRANCISCO
 SAN FRANCISCO MUNICIPAL RAILWAY
 NOTES TO FINANCIAL STATEMENTS
 June 30, 1973

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CONTRIBUTIONS RECEIVED AND FEDERAL GRANTS
 ADVANCED TO SAN FRANCISCO MUNICIPAL
 RAILWAY IMPROVEMENT CORPORATION

	Contributions Received	Federal Grants Advanced to San Francisco Municipal Railway Improvement Corporation
Balance, June 30, 1971, as previously reported	\$148,901,930	\$ -
Federal grants received and advanced to San Francisco Railway Improvement Corporation	<u>6,047,796</u>	<u>6,047,796</u>
Balance, June 30, 1971, as restated	154,949,726	6,047,796
Contributions received for the year ended June 30, 1972, as previously reported	20,665,336	-
To classify funds received from San Francisco Municipal Railway Improvement Corporation as a reimbursement for costs incurred under the Transit Improvement Program	<u>(200,000)</u>	<u>-</u>
Contributions received for the year ended June 30, 1972, as restated	<u>20,465,336</u>	<u>-</u>
Balance, June 30, 1972, as restated	<u>\$175,415,062</u>	<u>\$6,047,796</u>

EQUIPMENT UNDER LEASE FROM SAN FRANCISCO
MUNICIPAL RAILWAY IMPROVEMENT CORPORATION
AND EQUIPMENT LEASE CONTRACT OBLIGATION

	<u>Equipment Under Lease</u>		<u>Equipment</u>
	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Lease Contract Obligation</u>
Balance, June 30, 1972, as previously reported	\$ -	\$ -	(\$ 1,491,020)
Capitalization of Equipment Leases 1 and 2	15,885,371	-	(15,885,371)
Depreciation through June 30, 1972	-	(3,911,900)	-
Excess of lease payments (paid and accrued) over interest expense	-	-	6,549,855
Balance, June 30, 1972, as restated	<u>\$15,885,371</u>	<u>(\$3,911,900)</u>	<u>(\$10,826,536)</u>

STATEMENT OF NET LOSS FOR THE YEAR
ENDED JUNE 30, 1973

The effect of changing the method of accounting for equipment leased from the San Francisco Municipal Railway Improvement Corporation is as follows:

Reduction of rent of leased equipment	\$ 2,992,450
Increase in interest expense	(246,087)
Increase in depreciation expense	<u>(1,960,084)</u>
Reduction of net loss for the year ended June 30, 1973	<u>\$ 786,279</u>

Note 4 - Contingent Liabilities
and Commitments

Under the Railway's policy in respect of accident claims, the Railway bears the first \$2,000,000 of each accident. The Railway also acts as self-insurer for workmen's compensation claims.

Note 5 - Pension Plan

The Railway participates in the City and County of San Francisco's compulsory retirement plan. Provisions for the years ended June 30, 1973 and 1972 were \$3,574,275 and \$3,668,000, respectively.

Airport Department

SAN FRANCISCO INTERNATIONAL AIRPORT

San Mateo County



REPORT ON EXAMINATION OF ACCOUNTS

For the Fiscal Year Ended

JUNE 30, 1973

HOOD AND STRONG
CERTIFIED PUBLIC ACCOUNTANTS

555 California Street-Suite 3280, San Francisco, Ca. 94104

TELEPHONE 781-0793

THE HONORABLE NATHAN B. COOPER,
CONTROLLER
City and County of San Francisco
San Francisco, California

We have examined the balance sheet of the AIRPORTS COMMISSION, CITY AND COUNTY OF SAN FRANCISCO, SAN FRANCISCO INTERNATIONAL AIRPORT as of June 30, 1973 and the related statements of income, surplus and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. The financial statements for the prior year ended June 30, 1972 were examined by other independent accountants.

In our opinion, the financial statements referred to above present fairly the financial position of the Airports Commission, City and County of San Francisco, San Francisco International Airport at June 30, 1973 and the results of its operations and changes in its financial position for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year after giving effect to the retroactive capitalization of interest during construction as described in Note 2 to the financial statements.

Hood and Strong

October 10, 1973

AIRPORTS COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO INTERNATIONAL AIRPORT
BALANCE SHEET
JUNE 30, 1973 AND 1972

	1973	1972	As Restated (Note 2)
ASSETS			
PROPERTY, PLANT AND EQUIPMENT: Notes 2 and 3			
Land and easements	\$ 2,393,869	\$ 2,393,869	
Landplane port	131,691,192	123,805,992	
Seaplane port	1,937,936	1,937,936	
Equipment	2,019,684	1,852,908	
Less accumulated depreciation	138,042,681	129,990,705	
	45,124,234	40,755,079	
Construction work in progress	92,918,447	89,235,626	
	34,912,328	33,305,723	
	<u>127,830,775</u>	<u>122,541,419</u>	
CASH:			
On deposit with City Treasurer	49,937,817	54,833,665	
Revolving fund	5,000	2,000	
	<u>49,942,817</u>	<u>54,835,665</u>	
ACCOUNTS RECEIVABLE:			
Rentals, concessions and other receivables	2,320,836	1,766,211	
Less allowance for doubtful receivables	248,104	93,304	
	<u>2,072,732</u>	<u>1,672,907</u>	
Damage claims	49,463	49,703	
	<u>2,122,195</u>	<u>1,722,610</u>	
OTHER ASSETS:			
Federal grants receivable:			
Subject to approval by various agencies	6,598,479	7,411,883	
Less reserve against unapproved grants	(6,598,479)	(7,411,883)	
Material and supplies inventory,			
at average cost	41,712	37,242	
Prepaid expenses	157,476	149,253	
	<u>199,188</u>	<u>186,495</u>	
	<u>\$180,094,975</u>	<u>\$179,289,189</u>	
The accompanying notes are an integral part of the financial statements.			
LIABILITIES AND SURPLUS			
BONDED DEBT:			
Maturing within one year	\$ 5,675,000	\$ 5,675,000	
Maturing after one year	56,803,000	62,480,000	
	<u>62,480,000</u>	<u>67,775,000</u>	
MATURED BONDS NOT PRESENTED FOR PAYMENT			
BOND INTEREST PAYABLE:			
Matured coupons not presented for payment	3,948	68,251	
Accrued, payable after July 1, 1973 and 1972	<u>1,220,338</u>	<u>1,297,008</u>	
	<u>1,224,386</u>	<u>1,365,259</u>	
ACCOUNTS PAYABLE AND OTHER LIABILITIES:			
Outstanding warrants	641,027	685,301	
Accounts payable	1,104,872	670,915	
Retained percentage due contractors	794,616	1,380,020	
Payroll deductions and payroll payable	<u>18,876</u>	<u>7,022</u>	
	<u>2,559,391</u>	<u>2,743,258</u>	
INTERFUND ACCOUNTS PAYABLE:			
General city departments and funds	285,261	187,530	
Public service enterprises	<u>135,322</u>	<u>148,505</u>	
	<u>441,183</u>	<u>336,035</u>	
DEFERRED CREDITS AND PREPAID RENT			
	<u>556,456</u>	<u>777,938</u>	
CONTINGENT LIABILITIES AND COMMITMENTS Notes 6 and 7			
SURPLUS Note 2			
	<u>112,713,559</u>	<u>106,291,699</u>	
	<u>\$180,094,975</u>	<u>\$179,289,189</u>	

AIRPORTS COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO INTERNATIONAL AIRPORT
STATEMENT OF INCOME
YEARS ENDED JUNE 30, 1973 AND 1972

		<u>1973</u>	<u>1972</u> As Restated (Note 2)
OPERATING REVENUE:			
Aviation activities:			
Air carrier flight operations		\$ 5,939,851	\$ 5,749,330
Rents		4,227,594	4,043,996
Fuel and oil		<u>633,680</u>	<u>324,431</u>
	Schedule 2	10,801,125	10,117,757
Concessions	Schedule 3	9,279,904	8,965,072
Sales and services, less costs	Schedule 4	<u>529,891</u>	<u>576,364</u>
		<u>20,610,920</u>	<u>19,659,193</u>
OPERATING EXPENSES:			
Administrative	Schedule 5	1,754,341	1,412,133
Maintenance	Schedule 6	2,210,127	1,836,439
Operating	Schedule 7	4,975,282	4,545,787
Depreciation and amortization		<u>4,389,095</u>	<u>4,445,031</u>
		<u>13,328,845</u>	<u>12,239,390</u>
OPERATING INCOME		<u>7,282,075</u>	<u>7,419,803</u>
OTHER INCOME		<u>37,897</u>	<u>22,020</u>
OTHER DEDUCTIONS:			
Interest expense	Note 2	888,581	971,909
Write off of architectural costs attributed to modification of Airport expansion plans		1,150,000	
Other		<u>461,415</u>	<u>54,272</u>
		<u>2,499,996</u>	<u>1,026,181</u>
NET INCOME		<u>\$ 4,819,976</u>	<u>\$ 6,415,642</u>

The accompanying notes are an integral
part of the financial statements.

AIRPORTS COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO INTERNATIONAL AIRPORT
STATEMENT OF SURPLUS
YEARS ENDED JUNE 30, 1973 AND 1972

	<u>1973</u>	<u>1972</u>
SURPLUS:		
Balance at beginning of year, as previously reported	\$100,559,052	\$ 92,731,202
Adjustment for capitalized interest on funds acquired for construction	Note 2 <u>5,732,647</u>	<u>3,922,050</u>
Balance at beginning of year as adjusted	106,291,699	96,653,252
Net income	4,819,976	6,415,642
Contributions received:		
Federal government - grants	1,599,384	3,175,305
State of California - Special Aviation Fund	2,500	
Shell Oil Company	<u> </u>	<u>47,500</u>
	<u>\$112,713,559</u>	<u>\$106,291,699</u>

The accompanying notes are an integral
part of the financial statements.

AIRPORTS COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO INTERNATIONAL AIRPORT
STATEMENT OF CHANGES IN FINANCIAL POSITION
YEARS ENDED JUNE 30, 1973 AND 1972

	<u>1973</u>	<u>1972</u> As Restated (Note 2)
CASH PROVIDED FROM:		
Net income	\$ 4,819,976	\$ 6,415,642
Add items not currently requiring cash outlay:		
Depreciation and amortization	<u>4,389,095</u>	<u>4,445,031</u>
Total cash provided from operations	9,209,071	10,860,673
Proceeds from issuance of 1967 Airport Bonds, Series D		19,600,000
Contributions received	<u>1,601,884</u>	<u>3,222,805</u>
	<u>10,810,955</u>	<u>33,683,478</u>
CASH USED FOR:		
Additions to property, plant and equipment	8,071,916	13,240,408
Payments of bonded debt	5,285,000	4,920,000
Net increase (decrease) in construction work in progress	1,606,535	(1,748,806)
Net increase (decrease) in accounts receivable	399,585	(385,771)
Net increase in other assets	12,693	18,121
Net decrease (increase) in interest payable	140,873	(353,329)
Net decrease in other liabilities	<u>190,201</u>	<u>1,228,867</u>
	<u>15,706,803</u>	<u>16,919,490</u>
INCREASE (DECREASE) IN CASH	(4,895,848)	16,763,988
CASH - July 1, 1972 and 1971	<u>54,838,665</u>	<u>38,074,677</u>
CASH - June 30, 1973 and 1972	<u>\$49,942,817</u>	<u>\$54,838,665</u>

The accompanying notes are an integral part of the financial statements.

AIRPORTS COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO INTERNATIONAL AIRPORT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1973

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

- (a) Accounting Method. The financial statements are prepared on the accrual method.
- (b) Depreciation method and estimated useful life. Depreciation on property, plant and equipment is computed using the straight line method over the estimated useful lives of property, plant and equipment. Depreciation charges begin in the year following the completion of construction projects or acquisition of equipment at which time a full year's depreciation is taken.

As provided in the Charter of the City and County of San Francisco, an appraisal of property, plant and equipment is made at five year intervals which includes an inspection of the properties as well as a review of the estimated remaining life and depreciated value of the assets in order to determine reasonable annual depreciation. The last appraisal was made as of June 30, 1968 and depreciation since that date, including the current year's provision, has been based on rates established therein. Also see Note 2.

- (c) Capitalization of interest during construction. The Airport capitalizes interest on funds acquired for construction.

AIRPORTS COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO INTERNATIONAL AIRPORT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1973
(Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (continued)

- (d) Revenue recognition. Lease revenue from the rental of spaces, ground areas and facilities is accounted for under the "operating method." Under this method, lease revenue is earned as it becomes due over the term of the lease, and the related expenses including depreciation and maintenance are included in operating expense as incurred.
- (e) Pension plan. The Airport participates in the City and County of San Francisco's compulsory contributory retirement plan for all permanent employees. The Airport funds pension costs accrued.

NOTE 2 - RESTATEMENT:

The balance of surplus at June 30, 1972 has been restated from the amount previously reported to reflect a retroactive credit of \$5,732,647 for interest now capitalized relating to construction funds during the period July 1, 1968 through June 30, 1972. Of this amount, \$1,810,597 is applicable to fiscal year 1972, and has been reflected as a decrease in interest expense of \$1,834,144, with an offsetting increase in amortization of capitalized interest of \$23,547. The balance, \$3,922,050, is applicable to fiscal years 1969 through 1971 and has been credited to surplus at July 1, 1971.

Certain reclassifications have been made to the fiscal year 1972 financial statements for purposes of comparability.

AIRPORTS COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO INTERNATIONAL AIRPORT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1973
(Continued)

NOTE 3 - PROPERTY, PLANT AND EQUIPMENT:

Property, plant and equipment are stated at cost less accumulated depreciation. An analysis of property, plant and equipment is set forth in Schedule 1.

NOTE 4 - BONDED DEBT:

At June 30, 1973 details of the bonded debt of \$62,480,000 incurred upon the general faith and credit of the City and County of San Francisco are as follows:

<u>Description</u>	<u>Date of Issue</u>	<u>Interest Rate</u>	<u>Amount</u>
1956 Airport Bonds:			
Series C	February 1, 1960	3-1/2%	\$ 270,000
Series D	July 1, 1961	3%-3-1/4%	2,000,000
Series E	March 1, 1962	2-3/4%-3%	<u>1,400,000</u>
			<u>3,670,000</u>

1962 Airport Bonds:

Series A	April 1, 1963	2-1/4% - 2-3/4%	<u>4,000,000</u>
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AIRPORTS COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO INTERNATIONAL AIRPORT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1973
(Continued)

NOTE 4 - BONDED DEBT: (continued)

<u>Description</u>	<u>Date of Issue</u>	<u>Interest Rate</u>	<u>Amount</u>
1967 Airport Bonds:			
Series A	March 1, 1968	3.40% - 4%	\$3,000,000
Series B	February 1, 1969	4-1/4%-4-1/2%	8,800,000
Series C	February 1, 1970	6%	23,900,000
Series D	February 1, 1972	3.70%-5.20%	19,110,000
			<u>54,810,000</u>
			<u>\$62,480,000</u>

The bonds mature serially in varying annual amounts through June 30, 1992. A summary of maturities is as follows:

<u>Fiscal Year</u>	<u>Amount</u>
1974	\$ 5,675,000
1975	5,875,000
1976	5,740,000
1977	5,040,000
1978	4,845,000
Due 1979 to 1992	<u>35,305,000</u>
	<u>\$62,480,000</u>

Details of the active bond fund as of June 30, 1973 are as follows:

AIRPORTS COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO INTERNATIONAL AIRPORT
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1973
(Continued)

NOTE 4 - BONDED DEBT: (continued)

1967 Airport Bond Fund:

Authorized	\$98,000,000
Issued (before redemption of \$11,290,000 to June 30, 1973)	<u>66,100,000</u>
Unissued	<u>\$31,900,000</u>

The proceeds from the 1967 bond issue are for the improvement of air transportation facilities at the San Francisco International Airport and construction of a heliport in San Francisco.

The expenditures from the fund to June 30, 1973 are as follows:

Projects completed	\$24,819,518
Equipment	<u>95,167</u>
Transferral to Airport Operating Fund	24,914,685
Construction work in progress	<u>12,324,760</u>
Total expenditures from proceeds of bonds sold	<u>\$37,239,445</u>

NOTE 5 - PENSION COSTS:

Contributory retirement plan contributions included in costs and expenses were \$585,472 and \$544,664 for fiscal years 1973 and 1972 respectively.

NOTE 6 - CONTINGENT LIABILITIES - PENDING ITEMS:

The Airport was contingently liable in connection with various contractor's claims and other matters at June 30, 1973. According to the City Attorney, the total amount of claims pending is approximately \$800,000. The actual total liability is not ascertainable at this time.

AIRPORTS COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO INTERNATIONAL AIRPORT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1973
(Continued)

NOTE 6 - CONTINGENT LIABILITIES - (continued)

Major types of insurance are placed with independent carriers. The Airport, however, acts as self-insurer against losses from workmen's compensation claims and certain other liability and property casualty losses.

NOTE 7 - COMMITMENTS:

Commitments for construction, materials and services at June 30, 1973 are approximately \$8,800,000.

The Airport Commission has committed to repay into the General Fund of the City and County of San Francisco the sum of \$24,000,000, which amount represents payments previously made from the General Fund from funds raised by taxation for the payment of interest on and principal of general obligation bonds issued by the City and County of San Francisco for the acquisition, construction and improvements of the San Francisco International Airport. The plan of repayment calls for payment to be made, to the extent that income is available, over a twelve year period beginning in fiscal year 1974.

NOTE 8 - INTEREST EARNED ON CASH ON DEPOSIT WITH THE CITY TREASURER:

As provided in the Charter of the City and County of San Francisco, all interest on cash deposited with the City Treasurer shall accrue to the benefit of the City and County, except for interest earned from the deposit of specific purpose funds. Such interest accrues to the benefit of the utility depositing the specific purpose funds.

AIRPORTS COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO INTERNATIONAL AIRPORT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1973
(Continued)

NOTE 8 - INTEREST EARNED ON CASH ON DEPOSIT WITH THE CITY TREASURER:
(continued)

It is the present policy of the City Treasurer not to accrue to the Airport the interest earned on Airport deposits since, in lieu, various services are provided to the Airport by City Departments at no cost.

NOTE 9 - SUBSEQUENT EVENT:

As of July 1, 1973, the Airport's existing leases with United Air Lines covering the rental of the Maintenance Base were terminated. At the time of termination, these leases had fourteen years remaining and were replaced by a new lease which expires in 1993 with renewal options for an additional twenty years. Under the terms of this new lease, all rights to improvements previously constructed by United Air Lines reverted to the Airports Commission, City and County of San Francisco as of July 1, 1973.

HOOD AND STRONG

CERTIFIED PUBLIC ACCOUNTANTS

555 California Street-Suite 3280, San Francisco, Ca. 94104

TELEPHONE 781-0793

SUPPLEMENTARY INFORMATION

Our examination of the AIRPORTS COMMISSION, CITY AND COUNTY OF SAN FRANCISCO, SAN FRANCISCO INTERNATIONAL AIRPORT was made primarily for the purpose of forming our opinion on the financial statements taken as a whole.

The following financial information is not considered necessary for a fair presentation of financial position and results of operations and is submitted only for the purpose of supplementary analysis. This information was obtained from the accounting records tested by us during our examination. In our opinion, such information is fairly presented, in all material respects, in relation to the financial statements taken as a whole.

Hood and Strong

October 10, 1973

AIRPORTS COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO INTERNATIONAL AIRPORT
ANALYSIS OF BALANCE SHEET
PROPERTY, PLANT AND EQUIPMENT
JUNE 30, 1973

	Property, Plant, and Equipment	Accumulated Depreciation	Estimated Useful Lives (in Years)
LAND AND EASEMENTS:			
Land	\$ 2,106,967		
Easements	<u>286,902</u>		
	<u>2,393,869</u>		
LANDPLANE PORT:			
Landing areas:			
Land reclamation and improvements	26,300,317	\$ 463,839	4 - 10
Field drainage	4,461,335	2,335,759	5 - 30
Drainage control	1,991,496	641,203	10 - 20
Runways, taxiways and apron	28,809,968	9,491,919	3 - 20
Landing field lighting and marking	<u>2,233,680</u>	<u>1,393,796</u>	<u>5 - 15</u>
	<u>63,796,796</u>	<u>14,326,516</u>	
Utilities, roads and parking areas:			
Roads, walks, parking areas, fences, etc.	7,467,134	2,451,341	5 - 40
Water supply system	1,322,832	854,740	5 - 30
Power supply and street lighting system	4,522,379	880,240	5 - 30
Telephone system, field areas	3,383,562	1,247,563	5 - 30
Gas supply system	534,038	186,704	20 - 30
Bridges and culverts	34,613	28,770	20 - 30
Landscaping	1,541,435	192,883	30 - 50
Gasoline line and storage	163,585	86,596	10 - 20
Miscellaneous items	<u>120,528</u>	<u>118,025</u>	<u>5 - 10</u>
	<u>19,185,792</u>	<u>5,877,066</u>	<u>30</u>
Buildings, including parking facility	47,506,212	22,987,978	5 - 40
Capitalized interest - 1967 Airport Bonds	<u>1,202,392</u>	<u>54,718</u>	<u>40</u>
	<u>131,691,192</u>	<u>43,246,280</u>	
SEAPLANE PORT:			
Landing areas	1,501,325	419,909	10 - 30
Utilities	313,516	313,516	5 - 25
Equipment and other	<u>123,095</u>	<u>120,860</u>	<u>15 - 25</u>
	<u>1,937,936</u>	<u>854,285</u>	
EQUIPMENT:			
Office furniture and appliances	265,631	174,206	5 - 10
Shop tools and building maintenance	63,510	32,714	5 - 20
Fire fighting	531,374	239,603	5 - 15
Motor driven	428,550	225,438	5 - 15
Meteorological	120	108	10
Drainage pump house	215,394	89,453	10 - 30
Sewage pump house	14,714	6,130	5 - 30
Radio	237,282	158,994	5 - 15
Engineering	25,377	15,066	5 - 10
Other	<u>237,732</u>	<u>81,957</u>	<u>5 - 15</u>
	<u>2,019,684</u>	<u>1,023,669</u>	
TOTAL	<u>\$138,042,681</u>	<u>\$45,124,234</u>	

AIRPORTS COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO INTERNATIONAL AIRPORT
ANALYSIS OF STATEMENT OF INCOME
OPERATING REVENUE
YEARS ENDED JUNE 30, 1973 AND 1972
AVIATION ACTIVITIES
Schedule 2

Schedule 2
Schedule 3
Schedule 4

	1973	1972
Air carrier flight operations	<u>\$ 5,939,851</u>	<u>\$ 5,749,330</u>
Rents:		
Aircraft outdoor storage	23,166	24,119
Paved and unimproved areas	1,003,113	830,181
Hangars	160,107	163,649
Office space - passenger terminal buildings	2,264,622	2,279,555
Office space - air mail and cargo buildings	684,088	660,028
Other buildings and structures	<u>92,498</u>	<u>86,464</u>
	<u>4,227,594</u>	<u>4,043,996</u>
Fuel and oil:		
Wharfage charges and tank farm rental	589,817	272,815
Delivery permits	<u>43,863</u>	<u>51,616</u>
	<u>633,680</u>	<u>324,431</u>
	<u>\$10,801,125</u>	<u>\$10,117,757</u>

CONCESSIONS

Schedule 3

Restaurant, bar and allied services	\$ 979,352	\$ 937,914
News, tobacco and gift shops	815,356	790,593
Stores, miscellaneous retail	123,511	76,788
Hotel	231,156	197,506
Automobile renting	1,934,018	2,030,225
Limousine, taxi and bus	533,352	477,924
Automobile service station	168,589	148,993
Public parking	3,842,276	3,622,981
Insurance	113,383	112,517
Locker rentals	50,796	50,805
Telephone commissions	117,314	114,146
Rest rooms	45,949	42,440
Sale of petroleum products	230,343	246,077
Advertising	85,283	92,930
Others	<u>9,226</u>	<u>23,233</u>
	<u>\$ 9,279,904</u>	<u>\$ 8,965,072</u>

SALES AND SERVICES - NET

Schedule 4

Sales and services - net:

Electric energy (less cost of sales:		
1973 - \$1,508,056, 1972 - \$1,373,166)	\$ 382,486	\$ 376,733
Water (less cost of sales 1973 -		
\$160,009, 1972 - \$129,430)	57,673	85,221
Steam	18,099	18,123
Fines and forfeitures	68,194	94,595
Miscellaneous	<u>3,439</u>	<u>1,692</u>
	<u>\$ 529,891</u>	<u>\$ 576,364</u>

AIRPORTS COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO INTERNATIONAL AIRPORT
ANALYSIS OF STATEMENT OF INCOME
OPERATING EXPENSES

Schedule 5
Schedule 6
Schedule 7

YEARS ENDED JUNE 30, 1973 AND 1972

ADMINISTRATIVE

1973

1972

Schedule 5

ADMINISTRATIVE:

Salaries and wages	\$ 469,704	\$ 389,836
Pension and payroll tax	63,645	52,841
Insurance	195,437	206,879
Dues and subscriptions	8,979	8,856
Real estate taxes (less charges to tenants: 1973, \$83,923; 1972, \$76,853)	389,773	362,174
Employee transportation	71,220	60,263
Travel, conventions and conference	11,639	15,534
Printing, stationery and postage	24,728	10,327
Legal and professional services	268,475	217,471
Miscellaneous contractual expenses	255	5,924
Provision for doubtful receivables	154,800	4,800
Telephone and telegraph	66,329	54,770
Other	<u>29,357</u>	<u>22,458</u>
	<u>\$1,754,341</u>	<u>\$1,412,133</u>

MAINTENANCE

Schedule 6

Salaries and wages	\$1,274,330	\$1,100,196
Pension and payroll tax	172,676	149,680
Airfield paved areas	73,732	23,159
Radio and lighting equipment	42,638	28,978
Buildings	229,704	231,098
Drainage and sewer systems	13,407	
Electric power and water systems	16,206	608
Automobile and other facilities	119,750	75,670
Operating supplies and materials	215,414	184,855
Purchasing and other departments	<u>52,270</u>	<u>42,195</u>
	<u>\$2,210,127</u>	<u>\$1,836,439</u>

OPERATING

Schedule 7

Salaries and wages	\$2,561,264	\$2,402,018
Pension and payroll tax	347,043	287,112
Employee benefits	40,384	39,832
Fire department services	1,114,237	1,045,790
Services - Bureau of Engineering	404,003	401,036
Utilities	379,157	348,798
Shuttle bus services	99,917	
Refuse disposal (less charges to tenants: 1973, \$11,256; 1972, \$11,256)	15,565	12,381
Other	<u>13,712</u>	<u>8,820</u>
	<u>\$4,975,282</u>	<u>\$4,545,787</u>



Port of San Francisco



REPORT ON EXAMINATION OF ACCOUNTS
FOR THE PERIOD ENDED
JUNE 30, 1973

MAIN LAFRENTZ & CO.

CERTIFIED PUBLIC ACCOUNTANTS

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SAN FRANCISCO 94111
415-981-2156

The Honorable Nathan B. Cooper, Controller
City and County of San Francisco
San Francisco, California

Dear Sir:

We have examined the balance sheet of the Port of San Francisco as of June 30, 1973, and the related statements of income, changes in resources and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

The land asset of the Port was adjusted upward in prior years by \$56,217,720 to reflect appraised values of 1929 with some minor subsequent appraisals, which is a departure from the generally accepted accounting principle of reporting such assets at cost.

In our opinion, except for the valuation of land, such financial statements present fairly the financial position of the Port of San Francisco at June 30, 1973, and the results of its operations, changes in resources and changes in financial position for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Main Lafrentz & Co.

San Francisco, California
December 31, 1973

CITY AND COUNTY OF SAN FRANCISCO
PORT OF SAN FRANCISCO

BALANCE SHEET

JUNE 30, 1973 AND 1972

ASSETS

Property, Plant and Equipment

Buildings and structures
Equipment

Franchise rights of way

Accumulated depreciation

Land

Construction in progress

Interest during construction

Current Assets

Cash

Accounts receivable (less allowance for

bad debts \$180,000 and \$126,700)

Contracts receivable

Interest receivable

Port and railroad stores - at cost

Prepaid insurance

Interfund receivables - General City

and County

Restricted Funds

Cash

Capital outlay

Bond interest and redemption

Trust Funds

Held by Trustee for Revenue Bonds

Investments - at cost

Held by Trustee for Revenue Bonds

Construction funds

Interfund receivables - General City

and County

Other Assets

Deferred charges, work in progress

Other deferred charges

1973	1972
\$ 94,040,403	\$ 93,890,204
2,978,921	3,049,138
316,964	316,964
97,336,288	97,256,306
89,680,138	87,481,706
1,751,000	1,751,000
92,864,983	92,517,603
678,253	643,143
1,536,185	1,591,049
142,734,473	144,526,335

5,011,643	7,641,792
1,317,390	1,149,814
1,870	7,189
84,794	29,059
371,121	407,397
677,707	26,771
18,837	-
7,485,362	9,262,022

16,917,065	2,954,804
248,588	6,794
277,771	398,888
356,942	1,197,661
1,876,054	933,026
4,834,936	-
584,000	5,491,193
25,095,256	-
17,417	36,842
74,325	92,500
89,742	129,342
\$175,464,933	\$159,408,892

The accompanying notes are an integral
part of these financial statements.

LIABILITIES

Bonded debt, maturing after one year

Current Liabilities

Warrants issued

Accrued wages

Accrued vacations

Accrued interest on bonds

Ordnance receivable

Bonded debt, maturing within one year

Interfund payables

General City and County

Other Public Service Enterprises

Deferred Revenue

Trust Funds - deposits

Resources

Current Operating Fund

Federal Revenue Sharing Fund

Equity in property

Accrued investments

Invested

Donated property

Revaluation of property

1973	1972
\$ 82,930,000	\$ 65,814,000
575,494	396,752
374,713	356,146
462,733	452,642
1,426,434	1,292,445
2,884,000	2,494,000
21,088	166,817
9,629	155,226
6,096,916	7,254,424
18,183	219,823

277,771	197,223
4,254,498	3,877,558
584,000	-
23,446,815	23,577,718
1,732,548	1,809,544
56,063,202	56,063,202
86,082,063	85,423,423
\$175,464,933	\$159,408,892

CITY AND COUNTY OF SAN FRANCISCO
PORT OF SAN FRANCISCO

STATEMENT OF INCOME

YEARS ENDED JUNE 30, 1973 AND 1972

	<u>1973</u>	<u>1972</u>
Port operating income and services		
Dockage	\$ 711,057	\$ 1,056,915
Wharfage	2,284,170	1,913,921
Demurrage	296,379	202,543
Property rentals	7,699,742	6,024,658
Commercial power sales	821,824	710,520
Services to tenants	110,717	117,187
Parking meters	249,420	99,666
Equipment rental	172,405	59,181
Miscellaneous income	48,849	31,870
	<u>12,394,563</u>	<u>10,216,461</u>
Operating expenses		
Port operation	3,022,066	2,804,535
Port maintenance	3,959,632	3,368,084
Depreciation - buildings and structures	2,208,786	1,924,176
Miscellaneous expense	347,016	468,565
Labor cost variance	(186,484)	(301,627)
	<u>9,351,016</u>	<u>8,263,733</u>
Income from Port operations	<u>3,043,547</u>	<u>1,952,728</u>
Belt railroad		
Income	186,970	175,258
Expense	436,672	515,839
	<u>(249,702)</u>	<u>(340,581)</u>
Operating income	<u>2,793,845</u>	<u>1,612,147</u>
Other income and (expense)		
Interest earned	687,767	701,820
Interest expense	(3,212,191)	(1,980,244)
Loss on disposal of fixed assets	(17,384)	(31,541)
	<u>(2,541,808)</u>	<u>(1,309,965)</u>
Net income	<u>\$ 252,037</u>	<u>\$ 302,182</u>

The accompanying notes are an integral
part of these financial statements.

CITY AND COUNTY OF SAN FRANCISCO

PORT OF SAN FRANCISCO

STATEMENT OF CHANGES IN RESOURCES

YEARS ENDED JUNE 30, 1973 AND 1972

	Current Operating Fund	Federal Revenue Sharing Fund	Equity in Property		Revaluation of Property
			Accumulated Earnings	Donated Property	
Balances, June 30, 1971	\$10,289,591		\$16,858,503	\$2,108,535	\$56,063,202
Changes year ended June 30, 1972					
Net income	302,182				
Depreciation charged to donated property	(6,719,215)		6,719,215	(198,591)	
Equity in property, Interfund transactions					
Balances, June 30, 1972	3,872,558		23,577,718	1,909,944	56,063,202
Changes year ended June 30, 1973					
Net income	252,037				
Depreciation charged to donated property				(177,396)	
Equity in property, Interfund transactions	130,903		(130,903)		
Federal Revenue Sharing Funds		\$584,000			
Balances, June 30, 1973	\$ 4,254,498	\$584,000	\$23,446,815	\$1,732,548	\$56,063,202

The accompanying notes are an integral part of these financial statements.

CITY AND COUNTY OF SAN FRANCISCO
PORT OF SAN FRANCISCO

STATEMENT OF CHANGES IN FINANCIAL POSITION

YEARS ENDED JUNE 30, 1973 AND 1972

	<u>1973</u>	<u>1972</u>
Working capital provided by		
Income	\$ 252,037	\$ 302,182
Add charges (deduct credits) against earnings not affecting working capital		
Depreciation - building and structure	2,208,786	1,924,176
Depreciation - Belt Railroad	1,648	7,082
Depreciation - equipment	105,025	71,128
Amortization - interest during construction	54,864	9,148
Amortization - economic survey	20,175	20,175
Amortization - franchise rights of way	7,924	7,924
Port and construction work in progress expensed	71,881	411,696
Loss (gain) on sales or retirements of fixed assets	17,384	(415)
Equipment lost		<u>24,220</u>
Working capital provided from operations	2,739,724	2,777,316
Increase (decrease) in deferred revenue	(201,640)	194,750
Increase (decrease) in customer deposits	80,548	18,660
Reduction (increase) in restricted fund assets	(19,604,163)	8,104,024
Proceeds from sale of equipment	1,050	1,077
Proceeds from issuance of long-term debt	20,000,000	
Proceeds from Federal revenue sharing	584,000	
Equipment issued for land clearance		<u>57,692</u>
Total working capital provided	<u>3,599,519</u>	<u>11,153,519</u>
Working capital used for		
Acquisition of property, plant and equipment	498,737	11,742,211
Construction in progress (including interest)	335,934	1,657,255
Reduction of long-term debt	2,884,000	2,494,000
Port work in progress		<u>36,841</u>
Total working capital used	<u>3,718,671</u>	<u>15,930,307</u>
Decrease in working capital	\$ <u><u>119,152</u></u>	\$ <u><u>4,776,788</u></u>

The accompanying notes are an integral part of these financial statements.

CITY AND COUNTY OF SAN FRANCISCO
PORT OF SAN FRANCISCO

STATEMENT OF CHANGES IN FINANCIAL POSITION
(Continued)

YEARS ENDED JUNE 30, 1973 AND 1972

	<u>1973</u>	<u>1972</u>
Decrease (increase) in working capital consisted of		
Decrease (increase) in current assets		
Cash	\$2,630,149	\$3,609,133
Accounts receivable	(167,576)	279,563
Prepaid insurance	(650,936)	175,720
Other current assets	<u>(34,977)</u>	<u>10,744</u>
	<u>1,776,660</u>	<u>4,075,160</u>
Increase (decrease) in current liabilities		
Current maturity of long-term debt	390,000	100,000
Accrued interest on bonds	133,989	(34,035)
Accrued wages and vacations	28,658	87,423
Accruals and accounts payable	<u>(2,210,155)</u>	<u>548,240</u>
	<u>(1,657,508)</u>	<u>701,628</u>
	<u>\$ 119,152</u>	<u>\$4,776,788</u>

The accompanying notes are an integral
part of these financial statements.

CITY AND COUNTY OF SAN FRANCISCO
PORT OF SAN FRANCISCO

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF ACCOUNTING POLICIES

Public service enterprise - The Port of San Francisco is a public service enterprise of the City and County of San Francisco and as such it maintains its accounting records on an accrual basis.

Investments - Investments are carried at cost less amortization of bond premiums or discounts.

Inventories - Inventory consists of material and supplies which are used for construction and maintenance by the Port. The inventory is stated at cost determined by the average cost method, which is not in excess of market.

Property, plant and equipment - Property, plant and equipment is valued at acquisition cost except for an upward revaluation of land of \$56,217,720 based principally upon a 1929 appraisal and some minor appraisals subsequent to 1929 related to improvements of Port property on the part of lessees. The appraised value of land was reduced in a prior year by \$154,517 for land taken in 1957 by the Federal Government under a condemnation action. Depreciation is computed using the straight-line method based on the estimated useful life of the assets.

Interest during construction - The \$20,000,000 of Revenue Bonds together with approximately \$4,000,000 of the Port's own funds were for the specific purpose of constructing the LASH terminal. The Port policy with respect to Revenue Bond interest is to capitalize such interest during the period of construction.

All other bond issues of the Port are General Obligation Bonds, and were used for non-specific purposes. It is the policy of the Port to include bond interest expense and interest earned on such bond funds in the income statement.

2. INVESTMENTS

Investment of the funds deposited for interest and redemption of bonds is made by the Trustee. The following securities were owned at June 30, 1973.

CITY AND COUNTY OF SAN FRANCISCO
PORT OF SAN FRANCISCO

NOTES TO FINANCIAL STATEMENTS
(Continued)

2. INVESTMENTS (Continued)

	<u>Interest rate(%)</u>	<u>Maturity</u>	<u>Par or face value</u>	<u>Cost (including amortization of discounts or premiums)</u>
Held by Bank of America, as Trustee				
Federal National Mortgage Association Participating Certificate	5.20	1-19-82	\$1,050,000	\$ 863,177
Federal National Mortgage Association Participating Certificate	7.25	6-10-81	350,000	360,877
Bank of America Savings Certificates	Various	7-2-73	649,000	649,000
Bank of America Savings Certificate	5.00	7-19-73	<u>3,000</u>	<u>3,000</u>
			<u>\$2,052,000</u>	<u>\$1,876,054</u>
Investments of construction funds by the City and County of San Francisco	<u>Discount rate(%)</u>	<u>Maturity</u>	<u>Par Value</u>	<u>Cost</u>
U.S. Treasury Bill	6.53	11-1-73	\$5,000,000	\$4,834,936

3. BONDED DEBT

Bonded debt consists of \$65,914,000 General Obligation Bonds and \$19,900,000 Revenue Bonds. Bonds maturing within one year amount to \$2,884,000. There are also \$14,000,000 of General Obligation Bonds of the City and County of San Francisco and \$697,000 of General Obligation Bonds under 1909 and 1913 statutes of the State of California authorized but unissued. A summary of indebtedness under the various issues follows:

<u>General Obligation Bonds</u>	<u>Interest rates (%)</u>	<u>Maturity</u>	<u>Outstanding June 30, 1973</u>
India Basin 1909	4.0	1973-85	\$ 157,000
Second Seawall 1909	4.0	1973-85	1,477,000
Third Seawall 1913	4.0	1973-89	2,265,000
Fourth Seawall 1929, Series A to G	1.5 to 3.25	1973-81	2,340,000
Fifth Seawall 1958, Series A to H	1.0 to 5.50	1973-98	39,675,000
Harbor Improvement Bonds 1971 Series A	4.5 to 6.00	1979-2003	<u>20,000,000</u>
			<u>\$65,914,000</u>

CITY AND COUNTY OF SAN FRANCISCO
PORT OF SAN FRANCISCO

NOTES TO FINANCIAL STATEMENTS
(Continued)

3. BONDED DEBT (Continued)

<u>Revenue Bonds</u>	<u>Interest rates (%)</u>	<u>Maturity</u>	<u>Outstanding June 30, 1973</u>
Series A - 1969	7.0 to 8.50	1973-99	\$10,900,000
Series B - 1971	5.25 to 6.75	1973-2001	<u>9,000,000</u>
			<u>\$19,900,000</u>

The Revenue Bonds, Series A were issued pursuant to a resolution adopted by the Port Commission on July 9, 1969, and in accordance with The San Francisco Harbor Revenue Bond Act of 1951, the Charter of the City and County of San Francisco and Statutes 1968, Chapter 1333, as amended authorizing the transfer of the Port of San Francisco from State ownership to the City and County of San Francisco.

Bonds are of a denomination of \$5,000 each and are dated July 1, 1969. Interest is payable semi-annually on January 1 and July 1 of each year. Serial Bonds amount to \$3,100,000, and Term Bonds amount to \$7,800,000. Maturities are as follows:

Serial Bonds

1973-81	\$100,000 each year	\$ 900,000
1982-85	\$200,000 each year	800,000
1986-87	\$300,000 each year	600,000
1988-89	\$400,000 each year	<u>800,000</u>
		<u>\$3,100,000</u>

Term Bonds

1990		\$ 500,000
1991-92	\$600,000 each year	1,200,000
1993-94	\$700,000 each year	1,400,000
1995		800,000
1996-97	\$900,000 each year	1,800,000
1998		1,000,000
1999		<u>1,100,000</u>
		<u>\$7,800,000</u>

The Revenue Bonds, Series B were issued pursuant to a resolution adopted by the Port Commission on October 28, 1970, under the same provisions as Series A Bonds.

CITY AND COUNTY OF SAN FRANCISCO
PORT OF SAN FRANCISCO

NOTES TO FINANCIAL STATEMENTS
(Continued)

3. BONDED DEBT (Continued)

Bonds are of a denomination of \$5,000 each and are dated January 1, 1971. Interest is payable semi-annually on January 1 and July 1 of each year. Serial Bonds amount to \$3,725,000, and Term Bonds amount to \$5,275,000. Maturities are as follows:

Serial Bonds

1973-75	\$100,000 each year	\$ 300,000
1976-78	\$125,000 each year	375,000
1979-80	\$150,000 each year	300,000
1981-82	\$175,000 each year	350,000
1983-84	\$200,000 each year	400,000
1985		225,000
1986		250,000
1987-88	\$275,000 each year	550,000
1989		300,000
1990		325,000
1991		<u>350,000</u>
		<u>\$3,725,000</u>

Term Bonds

1992	\$ 375,000
1993	400,000
1994	450,000
1995	475,000
1996	500,000
1997	550,000
1998	575,000
1999	600,000
2000	650,000
2001	<u>700,000</u>
	<u>\$5,275,000</u>

The Harbor Improvement Bonds - 1971, Series A were issued pursuant to a proposition passed in the general election of November 2, 1971 which authorized the issuance of \$34,000,000 bonded indebtedness for the improvement of the Harbor of the City and County of San Francisco and its facilities.

Bonds are of a denomination of \$5,000 each and are dated May 1, 1973. Interest is payable semi-annually on May 1 and November 1 of each year. Bonds mature at a rate of \$800,000 per year commencing May 1, 1979.

CITY AND COUNTY OF SAN FRANCISCO
PORT OF SAN FRANCISCO

NOTES TO FINANCIAL STATEMENTS
(Continued)

3. BONDED DEBT (Continued)

The bonds of Series A and Series B are secured by a lien on the consolidated net revenues of the Port Commission, subordinated to the lien of the outstanding General Obligation Bonds of the State of California, and on a parity with any future Revenue Bonds issued under the resolution. General Obligation Bonds issued by the City and County of San Francisco for Port purposes, are subordinate to the bonds of Series A and B and other parity revenue bond issues.

4. CONTRACTS AND COMMITMENTS

1. The Port was obligated at June 30, 1973 for encumbrances amounting to \$9,124,416 representing approved contracts, purchase orders, etc., relating to construction, materials, expenses or services to be performed or provided subsequent to June 30, 1973.

2. Chief Counsel for the San Francisco Port Commission advised as follows at the time of transfer with respect to the legal position of the City in connection with the Port of San Francisco's general obligation bonded indebtedness incurred prior to the transfer of the Port to the City.

"The obligation should not, it would appear at this time, result in any financial outlay from the City. The legal status of each of the bond issues is that although each is a general obligation issue of the State of California, it is under the terms of the authorizing act met first out of Port revenues. Port revenues have been sufficient to meet all requirements and it is anticipated will be sufficient in the ascertainable future. All subsequent bond issues of any kind, including revenue bonds, are subordinate to these issues, which are known as Prior Lien Bonds.

Port revenues are kept separate and apart from City revenues and are not comingled in any way with City revenues. This is required by the terms of the Burton Act and by the Agreement, which is an integral part of the transfer.

It follows, therefore, that the bond issues enumerated above will in all probability be met out of Port revenues, and that the City's

CITY AND COUNTY OF SAN FRANCISCO
PORT OF SAN FRANCISCO

NOTES TO FINANCIAL STATEMENTS
(Continued)

4. CONTRACTS AND COMMITMENTS (Continued)

undertaking is in fact on the nature of a guarantee. Prior to the transfer, the State, since these were General Obligation Bonds, had a similar undertaking or guarantee. Because this became a contractual obligation between the bondholders and the State, the bondholders can still look to the State in the event of a default by the Port, and the State then in turn will look to the City.

Under the terms of Section 22 of the Burton Act, the City is obligated to issue \$50,000,000 of bonds for Harbor purposes within ten years of the act, and an additional \$50,000,000 within twenty-five years from the date of the act. If the City fails in this obligation, its rights to the lands transfer cease and the lands revert to the State."

Section 22 of the Burton Act was amended pursuant to the Statutes 1971, Chapter 1253, Section 3 to read as follows:

"On or before August 14, 2003, the lands transferred pursuant to this act shall be substantially improved by the City and County without expense to the state, and the City and County shall issue bonds in the amount of at least twenty-five million dollars (\$25,000,000) for harbor purposes. If the Department of Finance determines that the City and County has failed to improve the lands as herein required and issue such bonds as herein required, all right, title, and interest of the City and County in and to all such lands shall cease and the lands shall revert and rest in the state."

This obligation has been met by the issuance of Port Revenue Bonds of \$20,000,000 and City and County of San Francisco General Obligation Bonds of \$20,000,000.

CITY AND COUNTY OF SAN FRANCISCO
PORT OF SAN FRANCISCO

NOTES TO FINANCIAL STATEMENTS
(Continued)

5. LABOR COST VARIANCE

The Port frequently charges tenants for property improvements and other materials and services, and also performs considerable maintenance for its own account. In determining that portion of such expenditures related to labor, fringe benefits are added to the labor cost.

The labor cost variance amounts for both years ended June 30, 1973 and June 30, 1972 are accordingly reflected in the income statements as a reduction of operating expense.

6. CONTINGENT LIABILITIES

Several claims have been filed against the Port in connection with the operation and construction of the San Francisco Grain Terminal. Two of these claims are of significant amount, aggregating \$248,000.

A civil action for alleged violation of certain water quality standards, with fines estimated at \$120,000 by Port's counsel, has also been filed.

A claim in the amount of \$211,000 has been filed predicated on a construction contract for certain work at the LASH terminal.

The Port has denied liability in all of these cases.

7. FEDERAL REVENUE SHARING

The Port was appropriated \$584,000 from revenue sharing funds by the City and County of San Francisco on May 7, 1973. A separate fund was established by the Port and the fund is to be used to install sprinkler systems or to remove sheds which are fire hazards.

8. SUBSEQUENT EVENTS

Authorization for the transfer of the Belt Railroad operation to Port Railroad, Inc., was approved by the Port Commissioners on August 22, 1973. The transfer was made on December 17, 1973, under a Management Advisory Contract. Under the terms of this agreement, Port Railroad, Inc., has agreed to consult in the operations for a period of twenty years. The Port, as a result of this transfer, incurred direct cost of \$143,998 for severance pay to employees of the Belt Railroad.

CITY AND COUNTY OF SAN FRANCISCO
PORT OF SAN FRANCISCO

NOTES TO FINANCIAL STATEMENTS
(Continued)

8. SUBSEQUENT EVENTS (Continued)

The Port will benefit from the transfer as follows:

1. Discontinued salaries and fringe benefits.
2. Reduction in insurance cost.
3. New land becoming available for development.

The Port anticipates that the discontinuation of salaries and fringe benefits and the reduction in Workmens Compensation and Disability Insurance will sufficiently exceed existing Belt revenues to wipe out operating losses of approximately \$250,000 per year.

The Port further anticipates annual rental increase from land availability estimated at \$175,000 per year.

Between July 1, 1973 and December 31, a major customer of the Port became indebted to the Port for approximately \$1,000,000. Payment of \$500,000 was made on December 31, 1973 and the Port expects full payment of this and future debts which may arise.

ACCOUNTANTS' OPINION ON SUPPLEMENTARY INFORMATION

Our examination of the basic financial statements presented in the preceding section of this report was made primarily to form an opinion on such financial statements taken as a whole. Supplementary information, contained in the following pages, is not considered essential for the fair presentation of the financial position of the Port of San Francisco or the results of its operations and changes in financial position. However, the following data were subjected to the audit procedures applied in the examination of the basic financial statements. In our opinion, except for the appraised valuation of land as it relates to property, plant and equipment shown on page 17, the following data are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Chas. H. Hapgood & Co.

CERTIFIED PUBLIC ACCOUNTANTS

San Francisco, California
December 31, 1973

CITY AND COUNTY OF SAN FRANCISCO
PORT OF SAN FRANCISCO

CASH FUNDS

JUNE 30, 1973

	<u>Operating Funds</u>	<u>Bond Interest and Redemption Funds</u>	<u>Capital Funds</u>	<u>Trust Funds</u>
Cash in City Treasury				
Harbor Improvement Fund	\$3,223,661			
Fifth San Francisco Seawall			\$ 1,160,426	
1971 Harbor Improvement Fund			15,153,620	
Port Construction Fund			603,019	
Port of San Francisco				
Revenue Bond - Series A		\$ 96,134		
Trustee cash				\$277,771
India Basin		16,170		
2nd, 3rd & 4th Seawall		2,003		
5th Seawall		134,281		
Cash in bank				
Revolving Fund - City	60,000			
Payroll Revolving Fund	200,000			
Payroll deductions -				
State employees	13,037			
Cash held by Trustee -				
Bank of America		356,942		
Cash in State Treasury				
Subsequent fiscal year				
debt service	<u>1,514,945</u>	<u> </u>	<u> </u>	<u> </u>
	<u>\$5,011,643</u>	<u>\$605,530</u>	<u>\$16,917,065</u>	<u>\$277,771</u>

CITY AND COUNTY OF SAN FRANCISCO
PORT OF SAN FRANCISCO

PROPERTY, PLANT AND EQUIPMENT*

YEAR ENDED JUNE 30, 1973

	ASSET		Accumulated Depreciation				Cost, less Accumulated Depreciation	
	Balance, Beginning of Year	Additions	Salvage, Transfers and Retirements	Balance, End of Year	Balance, Beginning of Year	Current Year Provisions		Adjustments
Land	\$ 92,517,543	\$ 347,042		\$ 92,864,585				\$ 92,864,585
Buildings and structures	93,890,204	689,422	\$ 539,223	94,040,403	\$45,490,273	\$2,387,830	\$(199,851)	\$47,678,252
Equipment	3,049,138	36,109	106,326	2,978,921	1,690,317	105,025	(101,796)	46,362,151
Construction in progress	643,143	795,263	760,153	678,253				1,285,375
Franchise rights of way	316,964			316,964	301,116	7,924		678,253
Interest during construction	1,591,049		54,864	1,536,185				7,924
	<u>\$192,008,041</u>	<u>\$1,867,836</u>	<u>\$1,460,566</u>	<u>\$192,415,311</u>	<u>\$47,481,706</u>	<u>\$2,500,779</u>	<u>\$(301,647)</u>	<u>\$49,680,838</u>
								<u>\$42,734,473</u>

*Reference should be made to Note 1 of Notes to Financial Statements for basis of valuation.

San Francisco School Department
(A Unified School District)



REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED

JUNE 30, 1973

HAROLD T. HOERTKORN

CERTIFIED PUBLIC ACCOUNTANT
24 CALIFORNIA STREET, SAN FRANCISCO
CALIFORNIA 94111
(415) 421-1942

HAROLD T. HOERTKORN, C.P.A.

MEMBER
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

October 12, 1973

The Honorable Nathan Cooper
Controller
City and County of San Francisco
San Francisco, California

Dear Sir:

In accordance with your instructions, we have examined the accounts, records and financial statements of the San Francisco Unified School District for the fiscal year ended June 30, 1973. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the records, and other such auditing procedures as we considered necessary in the circumstances.

In our opinion, based upon the scope of our examination described above, the accompanying Balance Sheets, Statement of Unappropriated Balance and Statement of Revenues and Expenditures present fairly the financial position of the San Francisco Unified School District as of June 30, 1973 and the results of its operations for the fiscal year then ended, in conformity with that of the accepted accounting principles applied on a basis consistent with that of the preceding year.

Financial Statements included herein are as follows:

Exhibit "A"	-	Balance Sheet as of June 30, 1973
Schedule "A-1"	-	Balance Sheet of the Capital Funds as of June 30, 1973
Schedule "A-2"	-	Balance Sheet of the Special Funds as of June 30, 1973
Schedule "A-3"	-	Balance Sheet of the Trust Funds as of June 30, 1973

The Honorable Nathan Cooper
Controller

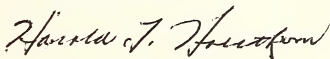
October 12, 1973

- Exhibit "B" - Statement of Unappropriated
Balance - Current Fund for the
Fiscal Year Ended June 30, 1973
- Exhibit "C" - Current Fund - Comparative
Statement of Revenue and Expenditures
for the Fiscal Years Ended June
30, 1973 and 1972
- Schedule "C-1" - Comparative Statement of Current
Fund Revenues for the Fiscal Years
Ended June 30, 1973 and 1972

Notes to Financial Statements, June 30, 1973

General Comments

Sincerely yours,

A handwritten signature in cursive script, reading "Harold T. Hoertkorn".

Harold T. Hoertkorn

GENERAL COMMENT - BALANCE SHEET - EXHIBIT "A"

CASH - \$35,398,314: Comprises the aggregate of School Fund Balances on deposit with the Treasurer, Cash Transfers Outstanding, Revolving Funds, together with the Bond Interest and Redemption Funds, applicable to School Bonds issued by the City and County of San Francisco.

An analysis of the Cash Balances at June 30, 1973 is as follows:

Balance on Deposit with Treasurer:	
Current Fund (Exhibit "A")	\$ 22,960,765

<u>Capital Funds: (Schedule "A-1")</u>		
1948 School Bond Fund	\$ 45,359	
1956 School Bond Fund	8,788	
1964 School Bond Fund	1,434,807	
Real Property Fund	<u>446,845</u>	1,935,799

<u>Special Funds: (Schedule "A-2")</u>		
Children's Centers	\$ 881,310	
School Cafeterias	1,346,048	
Special Reserves	6,711,591	
Development Centers for Handicapped Minors	168,049	
Balance in the Bond Interest and Redemption Funds of the City and County of San Francisco	<u>16,435</u>	9,123,433

<u>Trust Funds: (Schedule "A-3")</u>		
Withholding Tax - Federal	\$ (66,803)*	
Withholding Tax - State	(410,730)*	
Teachers Annuity	33,636	
Teachers Retirement	3,412	
Anna Steinberg Trust	10	
George Wilson Meyer Collection	743	
Veterans' Education	385	
Nell V. O'Connell	<u>7,748</u>	(431,599)*

Cash Transfers Outstanding (Exhibit "A")	1,785,916
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<u>Revolving Funds: (Exhibit "A")</u>		
School District	\$ 20,000	
Cafeteria	<u>4,000</u>	<u>24,000</u>

TOTAL CASH - June 30, 1973 \$ 35,398,314

* Brackets indicate overdraft

Balance on deposit with the Treasurer are the balances of the various funds shown on the accounts of the Treasurer. Warrants, per the controller's general ledger, drawn before July 1, 1973 but not presented to the Treasurer for payment before July 1, 1973, in the amount of \$10,349,353 are shown as liabilities of the various funds in Exhibit "A".

Cash transfers outstanding represent the aggregate of amounts in transfers between the various funds were recorded as complete transactions on the School District ledger as of June 30, 1973 but the transfers were recorded in the accounts of the Treasurer after that date.

Accounts Receivable: \$7,130,861 - Represents amount due to the Current Fund and Other Funds of the School District at June 30, 1973, as follows:

Current Funds:

Delinquent Taxes and Penalties	\$ 3,869,747		
<u>Less: Reserve for Unsecured Taxes</u>	<u>1,704,162</u>	\$ 2,165,585	

Other Accounts Receivable:

Due under Public Law 874	\$ 400,000		
Various City Departments	<u>127,362</u>	<u>527,362</u>	\$ 2,692,947

Special Reserve Fund:

Under Public Law:			
89-10 Title I	\$ 1,944,777		
89-10 Title II	23,389		
89-10 Title III	23,144		
89-10 Title VI	107,755		
89-10 Title VII	37,013		
VEA PL 90-576	504,313		
PL 90 - 35	104,677		
PL 91-380	<u>22,000</u>	\$ 2,767,068	

Capital Subventions Receivable:

State of California:

School Building Aid	\$ 10,284		
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Federal:

Under Public Law 815	<u>475,346</u>	485,630	
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Other:

Mission Model Cities	\$ 289,382		
Ford Foundation	40,000		
Senate Bill 116 - Chinese Bilingual Study	12,370		
Mobile Family Project	<u>20,250</u>	<u>362,002</u>	<u>3,614,700</u>

\$ 6,307,647

Accounts Receivable: (Continued)

Balance Brought Forward \$ 6,307,647

Children's Centers:

Delinquent Taxes and Penalties	\$ 31,736	
Less: Reserve for Unsecured Taxes	<u>15,689</u>	\$ 16,047
State Apportionment		96,130
Federal Grants		19,881
Other		<u>28,690</u>
		160,748

Development Centers:

Delinquent Taxes and Penalties	\$ 2,273	
Less: Reserve for Unsecured Taxes	<u>195</u>	2,078

School Cafeterias:

Federal Grant	\$ 451,040	
Miscellaneous	<u>209,348</u>	<u>660,388</u>

TOTAL ACCOUNTS RECEIVABLE -

June 30, 1973

\$ 7,130,861

INVENTORY - STORES - AT COST: \$531,021, comprises unissued supplies, furniture and equipment stored in various warehouses. Portions of the inventory were counted and reconciled with the general ledger at January 31, 1973 and February 28, 1973. The general ledger accounts were nominally adjusted to agree with the physical inventories.

INVENTORY - SHOP - AT COST: \$139,796, comprises the following:

Materials and Supplies	<u>\$ 139,796</u>
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Total Inventory - Shop - June 30, 1973	<u>\$ 139,796</u>
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INVENTORY - CAFETERIA: \$105,962 represents a physical inventory at cost of food and other supplies. Verification was made of the method of pricing, arithmetical extensions and inventory count procedures.

DEFERRED CHARGES: \$79,449, comprises the following:

Miscellaneous prepayments of various expenses.

Amount to be provided for Loan Payment to State: \$962,725. This item represents the amount due the State of California under the State School Building Aid Fund. The loan program was established for construction of the Bayview Elementary School. The liability section of the Balance Sheet, Exhibit "A", as of June 30, 1973 reflects the liability of the same amount.

FIXED CAPITAL PROPERTIES: \$185,324,878, is the aggregate recorded valuation of land, buildings improvements and equipment as shown by the Controller's records as of June 30, 1973. Net additions during the Fiscal Year ended June 30, 1973, and the accumulated ledger values are summarized as follows:

	<u>Total</u>	<u>Land</u>	<u>Improvements</u>	<u>Equipment</u>
Balance - July 1, 1972				
Accumulated Ledger Balances	\$176,402,117	\$16,738,611	\$139,610,871	\$20,052,635
<u>Additions Per School District:</u>				
Current Fund	\$ 558,987		\$ 14,706	\$ 544,281
Children's Centers Fund	6,565			6,565
Development Center for Handicapped Children	128,048		123,289	4,759
1956 School Bond Fund	36,630		36,630	
1964 School Bond Fund	1,754,745		1,560,420	194,325
Special Reserve Fund	<u>6,536,016</u>	<u>\$ 4,830</u>	<u>6,502,492</u>	<u>28,694</u>
Total Additions	\$ 9,020,991	\$ 4,830	\$ 8,237,537	\$ 778,624
<u>Less:</u>				
Net Reductions due to properties sold or otherwise disposed of	<u>98,230</u>		<u>41,711</u>	<u>56,519</u>
Net additions per Controller's records for Fiscal Year ended June 30, 1973	<u>\$ 8,922,761</u>	<u>\$ 4,830</u>	<u>\$ 8,195,826</u>	<u>\$ 722,105</u>
Balance - June 30, 1973				
(Per Controller's records - Exhibit "A-1")	<u>\$185,324,878</u>	<u>\$16,743,441</u>	<u>\$147,806,697</u>	<u>\$20,774,740</u>

At June 30, 1973, Fire and General Insurance in force on the School District Properties was \$264,236,000.

BOND INTEREST PAYABLE AND ACCRUED: \$ 444,487, represents:

Matured coupons - not presented
by Bondholders \$ 6,435

Interest accrued - not due at
June 30, 1973 438,052

Total \$ 444,487

Interest on the School Bonds is not recorded on the ledger of the Unified School District because the School Bonds and Interest shown thereon are a general obligation of the city and county of San Francisco. This practice is consistent with prior years, where the bonds and interest are part of the Balance Sheet, Exhibit "A", as the obligations were incurred for the acquisition of Fixed Properties of the School District. The interest accrued of \$438,052, but not due as of June 30, 1973 is recorded as deferred charge at June 30, 1973.

BONDED DEBT: \$26,995,000, is the aggregate of School Bonds outstanding at June 30, 1973 after considering the redemption during the Fiscal Year ended June 30, 1973, as shown by the Controller's records, as follows:

	<u>Interest Rate</u>	<u>Balance July 1, 1972</u>	<u>Less: Redeemed</u>	<u>Balance June 30, 1973</u>
<u>Authorized in 1956:</u>				
<u>Issued</u>	2.75 - 3.50%	\$ 5,880,000	\$ 1,780,000	\$ 4,100,000
<u>Authorized in 1964:</u>				
<u>Issued</u>	2.75 - 6.00%	<u>24,990,000</u>	<u>2,095,000</u>	<u>22,895,000</u>
 TOTAL		 <u>\$30,870,000</u>	 <u>\$ 3,875,000</u>	 <u>\$26,995,000</u>

REVENUES AND EXPENDITURES

A comparative Statement of Revenues and Expenditures of the Current Fund for the Fiscal Years ended June 30, 1973 and June 30, 1972, is presented in Exhibit "C" and Schedule "C-1". The following is a summary of the Comparative Statements:

	<u>June 30, 1973</u>	<u>June 30, 1972</u>	<u>Increase (Decrease)</u>
Property Taxes and Penalties*	\$ 94,121,259	\$ 91,126,795	\$ 2,994,464
State of California -			
School Fund Apportionment	13,939,420	13,660,874	278,546
Retirement Subvention	2,715,157	2,607,586	107,571
Other Revenues	<u>5,853,920</u>	<u>6,296,441</u>	<u>(442,521)</u>
Total Revenues - Schedule "C-1"	\$116,629,756	\$113,691,696	\$ 2,938,060
Less: Total Operating Expenses	<u>108,446,501</u>	<u>110,715,702</u>	<u>2,269,201</u>
Balance	<u>\$ 8,183,255</u>	<u>\$ 2,975,994</u>	<u>\$ 5,207,261</u>
Less: Payment of Debt to State	\$ 207,700	-	\$ 207,700
Net Capital Outlays from			
Current Funds			
(Per Exhibit "C")	<u>492,235</u>	<u>\$ 708,758</u>	<u>(216,523)</u>
	<u>\$ 699,935</u>	<u>\$ 708,758</u>	<u>\$ (8,823)</u>
Excess of Revenues Over Expenditures	<u>\$ 7,483,320</u>	<u>\$ 2,267,236</u>	<u>\$ 5,216,084</u>

* The School District Tax Rates for the General Fund and assessed valuation for the tax years 1973 and 1972 were as follows:

	<u>Tax Rate</u>	<u>Assessed Valuation</u>	
		<u>Secured Roll</u>	<u>Unsecured Roll</u>
1971 - 1972	\$ 4.092220	\$2,020,083,714	\$223,080,384
1972 - 1973	4.032816	2,156,258,224	260,751,522

The legal tax limitation of the School District was \$2.00 through 1957-58. In June 1958 by vote of the electorate, the limit was raised to \$2.50. By Education Code 20751, as amended in 1964, the tax limitation was raised to \$2.55 for a School District maintaining classes from Kindergarten through Junior College, if said District's current expense of education per unit average daily attendance for 1963-1964 was less than \$600.00. In November 1968 by vote of the electorate the tax limitation was raised to \$3.06.

Revenues from the State School Fund comprises apportionments based upon the Average daily attendance, various excess expenses of the education of handicapped children, mentally gifted minors and automobile driver training. The revenue from the State relating to these matters for the Fiscal Year ended June 30, 1973, was as follows:

	<u>Totals</u>	<u>Elementary Schools</u>	<u>High Schools</u>
Average Daily Attendance See Notes 1 and 2 \$125.00 per pupil	<u>\$ 9,686,700</u>	<u>\$ 5,012,239</u>	<u>\$ 4,674,461</u>
<u>Apportionment for Excess Expense of Educating Handicapped Children</u>			
Physically Handicapped:			
Average Daily Attendance	859	478	381
Expense	\$ 1,225,962	\$ 871,938	\$ 354,024
Mentally Retarded:			
Average Daily Attendance	779	254	525
Extra Expense	\$ 309,744	\$ 118,226	\$ 191,518
Severely Mentally Retarded:			
Average Daily Attendance	154	154	
Extra Expense	\$ 157,524	\$ 157,524	
Transportation Expense of Certain Handicapped Children:			
Average Daily Attendance	459	379	80
Extra Expense	\$ 212,058	\$ 175,098	\$ 36,960
Educationally Handicapped			
Average Daily Attendance	714	474	240
Extra Expense	<u>\$ 1,139,995</u>	<u>\$ 714,159</u>	<u>\$ 425,836</u>
Total for Handicapped Children	<u>\$ 3,045,283</u>	<u>\$ 2,036,945</u>	<u>\$ 1,008,338</u>
Apportionment for Special Program for Mentally Gifted	<u>\$ 188,124</u>	<u>\$ 77,898</u>	<u>\$ 110,226</u>
Automobile Driver Training			
Number of Pupils Trained	6,810		6,810
Apportionment	<u>\$ 293,711</u>		<u>\$ 293,711</u>
Pupil Transportation	<u>\$ 705,421</u>	<u>\$ 705,421</u>	
Special Studies and	\$13,919,239	\$ 7,832,503	\$ 6,086,736
Miscellaneous Revenues	<u>20,181</u>		
	<u>\$13,939,420</u>		

Explanatory Notes:

- 1) Attendance and apportionment date applicable to the continuation school are included in high schools.
- 2) Average daily attendance for the previous year was the primary basis for apportionment in the current year. The average daily attendance listed is that of the year ended June 30, 1973.

A comparison of the average daily attendance for the past three years follows:

	<u>1972-73</u>	<u>1971-72</u>	<u>1970-71</u>
Elementary Schools	51,844	55,595	58,313
High Schools	<u>24,049</u>	<u>24,597</u>	<u>25,238</u>
	75,893	80,192	83,551
	<u><u> </u></u>	<u><u> </u></u>	<u><u> </u></u>

We have examined the reports submitted to the State Department of Education as a basis for the State Apportionment for the Fiscal Year 1972-73 and have tested the records in support thereof to state that in our opinion they fairly represented the average daily attendance during the Fiscal Year ended June 30, 1973. Attendance records of representative elementary, junior high school and high schools were examined and audited.

The average daily attendance during the Fiscal Year ended June 30, 1973 will be the basis for apportionment for the Fiscal Year ending June 30, 1974, and the various special education programs which will be based on current attendance:

<u>Elementary Schools</u> , Grades K - 6	39,413
<u>Junior High Schools</u> , Grades 7 - 8	12,431
<u>High Schools</u>	<u>24,049</u>
 Total Average Daily Attendance	 75,893
	<u><u> </u></u>

COUNTY SCHOOL SERVICE FUND

The Revenue and Expenditures of the County School Service Fund for the year ended June 30, 1973 were as follows:

Revenue:

From State Apportionment	\$ 240,038
From San Francisco Unified	
School District	<u>184,421</u>

Total Revenue	<u>\$ 424,459</u>
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Expenditures:

Office of County Superintendent	
of Schools	\$ 21,788
Screening and Directing Teachers	835
Audio-Visual Education	368,842
Library and Personnel Service	32,294
Special Administrative Expenses	500
In Service Training	<u>200</u>

Total Expenditures	<u>\$ 424,459</u>
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STUDENT BODY FUNDS

The student body funds and accounting records of the funds are maintained at the schools and are subject to internal audit at regular intervals by the school District Administrative Office. It is felt that the internal controls are sufficient, and in addition, auditing test checks were made.

An analysis of cash on deposit which is not part of the cash balances of the attached financial statements are as follows:

	<u>Amount</u>
Senior High Schools	\$ 93,801
Junior High Schools	62,942
Elementary Schools	29
Medal Funds	<u>14,515</u>
	<u>\$171,287</u>

TRUST FUNDS

As indicated in the Balance Sheet of the Trust Funds, see Schedule "A-3" as of June 30, 1973, the assets, liabilities and fund balances are disclosed.

CHILDREN'S CENTERS

Thirty Children's Centers were operated during the Fiscal Year ended June 30, 1973, with a total enrollment of 1,745 children at June 30, 1973. The average daily attendance during the Fiscal Year ended June 30, 1973 was 1698. The total hours of child attendance for the years ended June 30, 1973 and June 30, 1972 follows:

	<u>Fiscal Years Ended</u>		<u>Increase</u>
	<u>June 30, 1973</u>	<u>June 30, 1972</u>	<u>(Decrease)</u>

Hours of Attendance:

Nursery and School Age	2,963,853	3,020,613	(56,760)
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A comparative statement of Revenue and Expenditures of Children's Centers for the Fiscal Years ended June 30, 1973 and June 30, 1972 follows:

	<u>Fiscal Years Ended</u>		<u>Increase</u>
	<u>June 30, 1973</u>	<u>June 30, 1972</u>	<u>(Decrease)</u>

REVENUES:

State Apportionment	\$ 2,575,530	\$ 3,035,299	\$(459,769)
Fees from Parents	529,360	618,862	(89,502)
District Taxes	146,351	348,824	(202,473)
Transfers from General Fund	431,662	410,718	20,944
Federal Grants	109,172	88,230	20,942
Miscellaneous	<u>23,893</u>	<u>12,527</u>	<u>11,366</u>
Total Revenues	\$ 3,815,968	\$ 4,514,460	\$(698,492)

EXPENDITURES:

Administration	\$ 348,987	\$ 124,412	\$ 224,575
Instruction	2,798,467	2,676,336	122,131
Auxiliary Services	9,683	37,602	(27,919)
Operation	547,953	541,841	6,112
Maintenance	161,526	596,484	(434,958)
Fixed Charges	471,357	440,550	30,807
Food	343,034	335,602	7,432
Capital Outlay	<u>6,565</u>	<u>52,795</u>	<u>(46,230)</u>
Total Expenditures	\$ 4,687,572	\$ 4,805,622	\$(118,050)

Excess of Expenditures Over Revenues	\$ (871,604)	\$ (291,162)	\$ 580,442
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CAFETERIAS

46 complete cafeteria units and 76 branch cafeteria units, which were serviced from the kitchens of complete units, were operated by the School District during the Fiscal Year ended June 30, 1973. A comparative statement of income and expenditures of the school cafeteria for the Fiscal Year ended June 30, 1973 and June 30, 1972 is as follows:

	<u>Fiscal Years Ended</u>		<u>Increase</u>
	<u>June 30, 1973</u>	<u>June 30, 1972</u>	<u>(Decrease)</u>
<u>REVENUES:</u>			
Sales - Cafeterias	\$ 3,585,528	\$ 3,466,180	\$ 119,348
Sales - Mid-Morning Lunches	179,755	161,599	18,156
Federal Grants	<u>671,667</u>	<u>475,433</u>	<u>196,234</u>
Total Revenue	<u>\$ 4,436,950</u>	<u>\$ 4,103,212</u>	<u>\$ 333,738</u>
<u>EXPENDITURES:</u>			
Cost of Food	\$ 2,105,844	\$ 2,021,174	\$ 84,670
Salaries	1,367,634	1,317,786	49,848
Meals for Student Help	28,917	25,129	3,788
Supplies and Expenses	234,499	181,448	53,051
Provisions for Sick Leave and Employee Benefits	<u>233,105</u>	<u>225,360</u>	<u>7,745</u>
Total Expenditures	<u>\$ 3,969,999</u>	<u>\$ 3,770,897</u>	<u>\$ 199,102</u>
Excess of Revenues Over Expenditures	<u>\$ 466,951</u>	<u>\$ 332,315</u>	<u>\$ 134,636</u>

ACADEMIC ATHLETIC ASSOCIATION

Receipts and Disbursements of this student body activity during the Fiscal Year ended June 30, 1973 were as follows:

Cash Available - July 1, 1972	\$ 16,260
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Add: Receipts:

Admission Fees	\$ 23,743	
Miscellaneous	<u>560</u>	<u>24,303</u>
		\$ 40,563

Less: Expenses in Connection with Activities:

Football	\$ 18,454	
Basketball	9,702	
Swimming	750	
Track	1,787	
Baseball	2,764	
Soccer	874	
Tennis and Golf	61	
Miscellaneous	<u>330</u>	<u>34,722</u>

Balance - June 30, 1973 - In Trust	<u>\$ 5,841</u>
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FEDERAL PROGRAMS

As required by the Audit Division of the Department of Finance of the State of California, Federal Programs were examined. Authorized grants by the Federal Government during the Fiscal Year ended June 30, 1973 were checked to Board Approval and supporting documents. Expenditures under the numerous programs were sampled and found to be reasonably correct.

	<u>Fiscal Year 1973</u>	
	<u>Revenues</u>	<u>Expenditures</u>
Elementary and Secondary Education Act Public Law 89-10	\$ 6,042,342	\$ 7,007,929
Vocational Education Act Public Law 90-576	612,920	539,871
Emergency School Assistance Program Public Law 91, Title 380	1,256,999	1,190,717
Educational Opportunity Act - Neighborhood Youth Corp. Public Law 88-452	1,054,749	1,077,081

As well as the above mentioned programs, the following programs have been examined by us and are reasonably correct:

National School Lunch Program
Special Milk Program

Information on special projects within the various programs will be made available to Federal Auditors upon request.

SAN FRANCISCO UNIFIED SCHOOL DISTRICTBALANCE SHEET AS OF JUNE 30, 1973A S U E T S

<u>Cash:</u>	<u>Total</u>	<u>Current Fund</u>	<u>Capital* Funds</u>	<u>Special** Funds</u>	<u>Trust*** Funds</u>
On Deposit with Treasurer	\$ 33,588,398	\$ 22,960,765	\$ 1,935,799	\$ 9,123,433	\$ (431,599)
Cash Transfers Outstanding	1,785,916		20,994		1,764,922
Revolving Funds	<u>24,000</u>	<u>20,000</u>		<u>4,000</u>	
Total Cash	\$ 35,398,314	\$ 22,980,765	\$ 1,956,793	\$ 9,127,433	\$ 1,333,323

Accounts Receivable:

Delinquent Taxes and Penalties
 Less: Reserve for Unsecured Property Taxes

	\$ 3,903,756	\$ 3,869,747		\$ 34,009	
	<u>1,720,046</u>	<u>1,704,162</u>		<u>15,884</u>	

Other Accounts and Grants

	\$ 2,183,710	\$ 2,165,585		\$ 18,125	
	<u>4,947,151</u>	<u>527,362</u>		<u>4,419,789</u>	

Accounts Receivable - Net

	\$ 7,130,861	\$ 2,692,947		\$ 4,437,914	
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Inter-Fund Accounts

	\$ 1,353,139	\$ 1,172,329		\$ 180,810	
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Provision for Payment of Bonds

	\$ 26,995,000		\$ 26,995,000		
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Inventories and Deferred Charges:

Stores - at Cost	\$ 531,021	\$ 531,021			
Shop Inventory - at Cost	139,796	139,796			
Cafeteria Inventory	105,962		\$ 105,962		
Other Supplies and Expenses	79,449	79,449			
Bond Interest Accrued	438,052			438,052	
Amount to be Provided for Loan					
Payment to State	<u>962,725</u>	<u>962,725</u>			

Total Inventories and Deferred Charges

	\$ 2,257,005	\$ 1,712,991		\$ 544,014	
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Other Assets

	\$ 65,492				\$ 65,492
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Fixed Capital Properties (See Note 1)

	\$185,324,878		\$185,324,878		
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TOTAL ASSETS

	\$258,524,689	\$ 28,559,032	\$214,276,671	\$ 14,290,171	\$ 1,398,815
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Bond Interest Payable and Accrued (See Note 1)Matured Bonds - UnredeemedAccounts Payable and Commitments:

Warrants and Payroll Deductions Outstanding
 Long Term Payable - State
 Accounts Payable - Materials and Services

Total Accounts Payable and CommitmentsInter-Agency Accounts:

Department of Public Works
 Other Agencies

Total Inter-Agency AccountsInterfund Accounts:Bonded Debt (See Note 1)Reserves:

Adjustment
 Prepaid Expenses
 Revolving Fund
 Inventories
 Accounts Receivable
 Miscellaneous

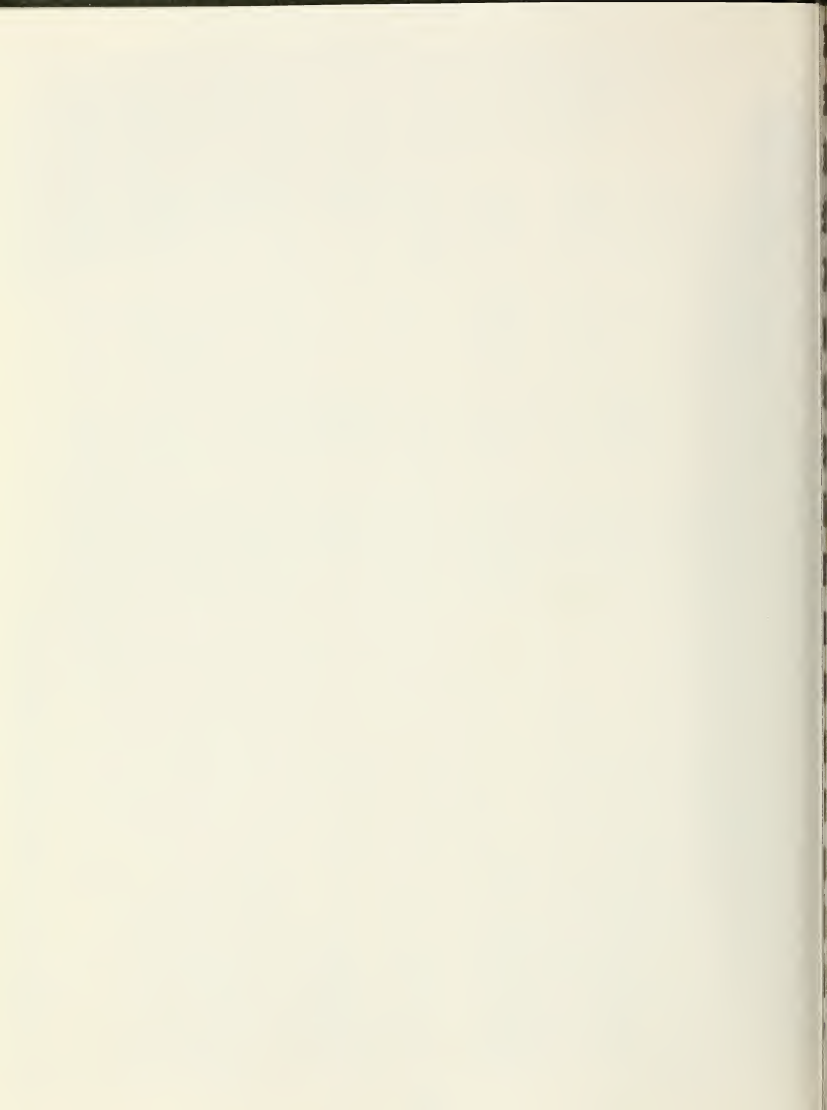
Total ReservesDeferred CreditsInvestment in Fixed AssetsUnencumbered AppropriationUnappropriated BalancesTOTAL

	<u>Total</u>	<u>Current Fund</u>	<u>Capital* Funds</u>	<u>Special** Funds</u>	<u>Trust*** Funds</u>
<u>Bond Interest Payable and Accrued</u> (See Note 1)					
<u>Matured Bonds - Unredeemed</u>	\$ 444,487			\$ 444,487	
	\$ 10,000			\$ 10,000	
<u>Accounts Payable and Commitments:</u>					
Warrants and Payroll Deductions Outstanding	\$ 10,349,353	\$ 9,283,314	\$ 674	\$ 1,032,728	\$ 32,637
Long Term Payable - State	962,725	962,725			
Accounts Payable - Materials and Services	7,645,499	1,999,994	362,210	4,022,856	1,260,439
<u>Total Accounts Payable and Commitments</u>	<u>\$ 18,957,577</u>	<u>\$ 12,246,033</u>	<u>\$ 362,884</u>	<u>\$ 5,055,584</u>	<u>\$ 1,293,076</u>
<u>Inter-Agency Accounts:</u>					
Department of Public Works	\$ 2,717,020	\$ 1,073,985	\$ 1,134,650	\$ 508,385	
Other Agencies	1,077,830	763,023	141,171	173,636	
<u>Total Inter-Agency Accounts</u>	<u>\$ 3,794,850</u>	<u>\$ 1,837,008</u>	<u>\$ 1,275,821</u>	<u>\$ 682,021</u>	
<u>Interfund Accounts:</u>					
<u>Bonded Debt</u> (See Note 1)	<u>\$ 1,353,139</u>	<u>\$ 90,691</u>		<u>\$ 1,262,448</u>	
	<u>\$ 26,995,000</u>		<u>\$ 26,995,000</u>		
<u>Reserves:</u>					
Adjustment	\$ 155,000	\$ 145,000		\$ 10,000	
Prepaid Expenses	79,449	79,449			
Revolving Fund	24,000	20,000		4,000	
Inventories	776,779	670,817		105,962	
Accounts Receivable	400,000	400,000			
Miscellaneous	101	101			
<u>Total Reserves</u>	<u>\$ 1,435,329</u>	<u>\$ 1,315,367</u>		<u>\$ 119,962</u>	
	<u>\$ 3,139,595</u>			<u>\$ 3,139,595</u>	
<u>Deferred Credits</u>					
<u>Investment in Fixed Assets</u>	<u>\$185,324,878</u>		<u>\$185,324,878</u>		
<u>Unencumbered Appropriation</u>	<u>\$ 4,224,775</u>	<u>\$ 1,952,439</u>	<u>\$ 217,619</u>	<u>\$ 2,054,717</u>	
<u>Unappropriated Balances</u>	<u>\$ 12,845,059</u>	<u>\$ 11,117,494</u>	<u>\$ 100,469</u>	<u>\$ 1,521,357</u>	<u>\$ 105,739</u>
<u>TOTAL</u>	<u>\$258,524,689</u>	<u>\$ 28,559,032</u>	<u>\$214,276,671</u>	<u>\$ 14,290,171</u>	<u>\$ 1,398,815</u>

* Details of the Various Funds are shown on Schedule "A-1"

** Details of the Various Funds are shown on Schedule "A-2"

*** Details of the Various Funds are shown on Schedule "A-3"



SAN FRANCISCO UNIFIED SCHOOL DISTRICT

BALANCE SHEET OF CAPITAL FUNDS

As of June 30, 1973

	Total	1948 School Bond Funds	1956 School Bond Funds	1964 School Bond Funds	Real Property Fund	Fixed Assets	Bonded Debt
Assets:							
Cash on Deposit with Treasurer	\$ 1,935,799	\$ 45,359	\$ 8,788	\$ 1,434,807	\$ 446,845		\$ 26,995,000
Cash in Transit	20,994			20,994			
Provision for Payment of Bonds	26,995,000						
Fixed Capital Properties	185,324,878					\$185,324,878	
TOTAL	\$214,276,671	\$ 45,359	\$ 8,788	\$ 1,455,801	\$ 446,845	\$185,324,878	\$ 26,995,000
Liabilities, Reserves and Unappropriated Balances:							
Accounts Payable and Commitments:							
Warrants Outstanding	\$ 674			\$ 674			
Accounts Payable - Materials and Service	362,210				\$ 362,210		
Total Accounts Payable and Commitments	\$ 362,884			\$ 674	\$ 362,210		
Inter-Agency Accounts:							
Department of Public Works	\$ 1,134,650			\$ 1,134,650			
Other Agencies	141,171			141,171			
Total Inter-Agency Accounts	\$ 1,275,821			\$ 1,275,821			
Bonded Debt	\$ 26,995,000						\$ 26,995,000
Investment in Fixed Assets	\$185,324,878					\$185,324,878	
Unencumbered Appropriation	\$ 217,619						
Unappropriated Balance	\$ 100,469	\$ 45,359	\$ 8,788	\$ 11,974	\$ 34,348		
TOTAL	\$214,276,671	\$ 45,359	\$ 8,788	\$ 1,455,801	\$ 446,845	\$185,324,878	\$ 26,995,000

SAN FRANCISCO UNIFIED SCHOOL DISTRICT

BALANCE SHEET OF SPECIAL FUNDS

As of June 30, 1973

A S S E T S

	Totals	Special Reserves	Children's Centers	Development Centers for Handicapped Children	School Cafeteria	Bond Interest - and Redemption - Note 1 1956 1964
Cash:						
On Deposit with Treasurer	\$ 9,123,433	\$ 6,711,591	\$ 881,310	\$ 168,049	\$ 1,346,048	\$ 13,498 \$ 2,937
Revolving Funds	4,000				4,000	
Total Cash	\$ 9,127,433	\$ 6,711,591	\$ 881,310	\$ 168,049	\$ 1,350,048	\$ 13,498 \$ 2,937
Accounts Receivable:						
Delinquent Taxes and Penalties	\$ 34,009		\$ 31,736	\$ 2,273		
Less: Reserve for Unsecured	15,884		15,689	195		
Property Tax						
Other Accounts and Subvention	\$ 18,125		\$ 16,047	\$ 2,078	\$ 660,388	
	4,419,789	\$ 3,614,700	144,701			
Accounts Receivable - Net	\$ 4,437,914	\$ 3,614,700	\$ 160,748	\$ 2,078	\$ 660,388	
Inter-Fund Accounts						
Deferred Charges:						
Cafeteria Inventory	\$ 180,810	\$ 72,590	\$ 81,999		\$ 26,221	
Bond Interest Accrued						
	\$ 105,962				\$ 105,962	\$ 42,444 \$395,608
	438,052					
Total Deferred Charges	\$ 564,014				\$ 105,962	\$ 42,444 \$395,608
TOTAL ASSETS	\$ 14,290,171	\$ 10,398,881	\$ 1,124,057	\$ 170,127	\$ 2,142,619	\$ 55,942 \$398,545

LIABILITIES - RESERVES AND UNAPPROPRIATED BALANCE	Totals	Special Reserves	Children's Centers	Development Centers for Handicapped Children	School Cafeteria	Bond Interest - and Redemption - Note 1	
						1956	1964
Bond Interest Payable and Accrued	\$ 444,487					\$ 45,942	\$398,545
Matured Bonds - Unredeemed	\$ 10,000					\$ 10,000	
Accounts Payable and Commitments:							
Warrants and Payroll Deductions	\$ 1,032,728	\$ 579,912	\$ 346,947	\$ 2,228	\$ 103,641		
Outstanding							
Accounts Payable - Materials and Services	4,022,856	3,814,306	170,761	2,879	34,910		
Total Accounts Payable and Commitments	\$ 5,055,584	\$ 4,394,218	\$ 517,708	\$ 5,107	\$ 138,551		
Inter-Agency Accounts:							
Department of Public Works	\$ 508,385	\$ 466,025	\$ 42,360				
Other Agencies	173,636	67,148	23,270	\$ 77,109	\$ 6,109		
Total Inter-Agency Accounts	\$ 682,021	\$ 533,173	\$ 65,630	\$ 77,109	\$ 6,109		
Inter-Fund Payables	\$ 1,262,448	\$ 102,725	\$ 17,247	\$ 20,270	\$ 1,122,206		
Reserves:							
Inventory	\$ 105,962				\$ 105,962		
Revolving Funds	4,000				4,000		
Adjustment	10,000		\$ 5,000		5,000		
Total Reserves	\$ 119,962		\$ 5,000		\$ 114,962		
Deferred Credits	\$ 3,139,595	\$ 3,139,595					
Unencumbered Appropriation	\$ 2,054,717	\$ 2,004,695	\$ 29,916	\$ 6,000	\$ 14,106		
Unappropriated Balance	\$ 1,521,357	\$ 224,475	\$ 488,556	\$ 61,641	\$ 746,685		
TOTAL	\$ 14,290,171	\$ 10,398,881	\$ 1,124,057	\$ 170,127	\$ 2,142,619	\$ 55,942	\$398,545

SAN FRANCISCO UNIFIED SCHOOL DISTRICT

BALANCE SHEET OF THE TRUST FUNDS

As of June 30, 1972

FUND	Deposit with Treasurer	Cash Items In Transit	Assets		Warrants Payable	Accounts Payable	Total Liabilities	Unexpended Balance
			Other	Total				
Withholding Tax - Federal	\$ (66,803)*	\$1,321,215	\$	\$1,254,412	\$ 521	\$1,253,891	\$1,254,412	\$ -
Withholding Tax - State	(410,730)*	411,227		497	114	383	497	-
Teacher's Annuity	33,636	32,480		66,116	31,732		31,732	34,384
Teacher's Retirement	3,412			3,412	5	3,366	3,371	41
Anna Steinberg Trust	10			10				10
Veteran's Education	385			385				385
Neil V. O'Connell	7,748		(1) 65,492	73,240	265	2,799	3,064	70,176
George Wilson Meyer Collection	743			743				743
	\$ (431,599)*	\$1,764,922	\$ 65,492	\$1,398,815	\$ 32,637	\$1,260,439	\$1,293,076	\$ 105,739

* Indicates Overdraft

(1) Consists of Assets held in Trust by
Crocker National Bank

SAN FRANCISCO UNIFIED SCHOOL DISTRICTSTATEMENT OF UNAPPROPRIATED BALANCE - CURRENT FUND
For the Fiscal Year Ended June 30, 1973

Balance - July 1, 1972	\$ 9,171,234
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Add:

Miscellaneous Cash Receipts	\$ 306,771	
Excess of Revenue Over Expenditures	7,483,320	
Past Year Expenditures Recovered	180,925	
Decrease in Inventory Reserve	<u>286,688</u>	<u>8,257,704</u>
		\$17,428,938

Less:

Creating Reserve for Adjustments	\$ 130,000	
Increasing Reserve for Imprest Funds	5,000	
Transfers to Special Reserve Fund	4,663,408	
Increase in Encumbrances	1,391,300	
Miscellaneous Adjustments	5,360	
Decrease in Reserve for Current Taxes	<u>116,376</u>	<u>6,311,444</u>

Balance - June 30, 1973	\$11,117,494
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Note:

The unappropriated balance of the current fund appearing on the books of the San Francisco Unified School District as of June 30, 1973 is \$8,951,908. The difference consists entirely in that the San Francisco Unified School District fully reserves taxes receivable in the amount of \$3,869,747 whereas the Controller only reserves \$1,704,162.

SAN FRANCISCO UNIFIED SCHOOL DISTRICTCURRENT FUNDCOMPARATIVE STATEMENT OF REVENUES AND EXPENDITURESFor the Fiscal Years Ended June 30, 1973 and June 30, 1972

	<u>Fiscal Years Ended</u>		<u>Increase</u>
	<u>June 30, 1973</u>	<u>June 30, 1972</u>	<u>(Decrease)</u>
Revenues - Per Schedule "C-1"	\$116,629,756	\$113,691,696	\$ 2,938,060
<u>Less: Operating Expenditures:</u>			
Administration	\$ 3,810,170	\$ 3,588,463	\$ 221,707
Instruction - Classroom	66,377,143	62,360,771	4,016,372
Instruction - Other	9,748,702	13,657,435	(3,908,733)
Auxiliary Service	74,743	113,226	(38,483)
Operations	7,122,479	7,138,906	(16,427)
Maintenance	3,657,365	3,804,838	(147,473)
Fixed Charges	13,043,378	15,114,347	(2,070,969)
Transportation of Pupils	2,101,225	2,380,990	(279,765)
Food Service	863,350	697,673	165,677
Community Service	888,875	814,300	74,575
Transfer of Tuition, Retirement, Etc.	<u>759,071</u>	<u>1,044,753</u>	<u>(285,682)</u>
Total Operating Expenditures	<u>\$108,446,501</u>	<u>\$110,715,702</u>	<u>\$ (2,269,201)</u>
Balance	<u>\$ 8,183,255</u>	<u>\$ 2,975,994</u>	<u>\$ 5,207,261</u>
<u>Less:</u>			
Payment of Debt to State of California	\$ 207,700	-	\$ 207,700
Net Capital Outlay from Current Funds	<u>492,235</u>	<u>\$ 708,758</u>	<u>(216,523)</u>
	<u>\$ 699,935</u>	<u>\$ 708,758</u>	<u>\$ (8,823)</u>
Excess of Revenue Over Expenditures	<u>\$ 7,483,320</u>	<u>\$ 2,267,236</u>	<u>\$ 5,216,084</u>

SAN FRANCISCO UNIFIED SCHOOL DISTRICTCOMPARATIVE STATEMENT OF CURRENT FUND REVENUESFor the Fiscal Years Ended June 30, 1973 and June 30, 1972

	<u>Fiscal Year Ended</u>		<u>Increase</u>
	<u>June 30, 1973</u>	<u>June 30, 1972</u>	<u>(Decrease)</u>
<u>Property Taxes and Penalties</u>	<u>\$ 94,121,259</u>	<u>\$ 91,126,795</u>	<u>\$ 2,994,464</u>
<u>Apportionments from State of California:</u>			
Elementary Schools	\$ 7,832,503	\$ 7,344,125	\$ 488,378
High Schools	6,086,736	6,264,105	(177,369)
Special Programs	20,181	52,644	(32,463)
Retirement Subvention	2,715,157	2,607,586	107,571
Home Owner's Property Tax Relief	2,429,293	2,427,378	1,915
Business Inventory Property Tax Relief	<u>1,252,174</u>	<u>1,242,302</u>	<u>9,872</u>
Total Apportionments	<u>\$ 20,336,044</u>	<u>\$ 19,938,140</u>	<u>\$ 397,904</u>
<u>Other Revenue:</u>			
Federal and State Vocational Education Subvention	\$ 7,700	\$ 38,974	\$ (31,274)
Reimbursement for Veterans' Education and Counseling	-	21,432	(21,432)
Tuition from Other Counties	190,629	232,387	(41,758)
Rentals	332,893	346,561	(13,668)
Public Law 874 and Other Federal Aid	1,198,298	1,758,600	(560,302)
Miscellaneous	<u>442,933</u>	<u>228,807</u>	<u>214,126</u>
Total Other Revenues	<u>\$ 2,172,453</u>	<u>\$ 2,626,761</u>	<u>\$ (454,308)</u>
 TOTAL	 <u>\$116,629,756</u>	 <u>\$113,691,696</u>	 <u>\$ 2,938,060</u>

SAN FRANCISCO UNIFIED SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENT - JUNE 30, 1973

1. Fixed capital properties, bonded debt and bond interest payable and accrued, are not recorded in the ledger of the San Francisco Unified School District, but have been added in this report.

Bonded debt and bond interest are general obligations of the City and County of San Francisco and are not liabilities of the San Francisco Unified School District. They are shown in the Balance Sheet "Exhibit A" as the proceeds of the bonds were used to acquire School District Properties.

The amounts shown for fixed capital properties do not represent the value of the properties and equipment presently owned by the San Francisco Unified School District, as the amounts shown include certain properties at cost and certain properties at appraised value when acquired.

2. At June 30, 1973, the contingent liability for personal injury claims was estimated by the legal advisor to the Board of Education to be not in excess of \$150,000.00

3. Revenue other than from secured taxes, with minor exceptions, is recorded only when monies are received by, or for the credit of, the School District. This practice is consistent with that of preceding fiscal years.

San Francisco Community College District



**REPORT ON EXAMINATION OF ACCOUNTS
FOR THE YEAR ENDED
JUNE 30, 1973**

HAROLD T. HOERTKORN

CERTIFIED PUBLIC ACCOUNTANT
24 CALIFORNIA STREET, SAN FRANCISCO
CALIFORNIA 94111
(415) 421-1942

HAROLD T. HOERTKORN, C.P.A.

MEMBER
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

October 18, 1973

The Honorable Nathan Cooper
Controller
City and County of San Francisco
San Francisco, California

Dear Sir:

In accordance with your instructions, I have examined the accounts, records and financial statements of the San Francisco Community College District for the fiscal year ended June 30, 1973. Our examination was made in accordance with generally accepted auditing standards and accordingly, included such tests of the records and such other auditing procedures as we considered necessary in the circumstances. On June 30, 1970, City College of San Francisco, in conformance with State Law, ended a constructive and cordial relationship with the San Francisco Unified School District which was established in 1935 and became a separate school district.

In our opinion, based upon the scope of our examination described above, the accompanying Balance Sheet, Statement of Unappropriated Balance and Statement of Revenues and Expenditures present fairly the financial position of the San Francisco Community College District as of June 30, 1973 and the results of its operations for the fiscal year then ended in conformity with generally accepted accounting principles with the exception that Student Activity Funds were not examined as described further in the General Comments of this report.

Financial Statements included herein are as follows:

Exhibit "A"	-	Balance Sheet as of June 30, 1973
Exhibit "B"	-	Statement of Unappropriated Balance - Current Fund for the Fiscal Year ended June 30, 1973

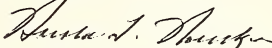
The Honorable Nathan Cooper
Controller

October 18, 1973

Exhibit "C" - Current Fund - Statement of
Revenues and Expenditures of the
Fiscal Year ended June 30, 1973

General Comments

Sincerely,

A handwritten signature in dark ink, appearing to read "Harold T. Hoertkorn", written in a cursive style.

Harold T. Hoertkorn

GENERAL COMMENTS - BALANCE - EXHIBIT "A"

CASH - \$7,742,767.36: Comprises the balance of the District's Cash Balances on deposit with the Treasurer of the City and County of San Francisco, Cash Transfers Outstanding later deposited with the Treasurer, and a Revolving Fund.

An analysis of the Cash Balances as of June 30, 1973 is as follows:

Balances on Deposit with the Treasurer:

Current Fund	\$2,962,106.30
Special Reserve Fund	4,290,776.63
School Cafeteria	100,667.13
Trust Funds:	
Withholding Tax - Federal \$ (2,477.09)*	
Withholding Tax - State	40,962.48
Teachers annuity	23,095.25
Sales Tax	376.13
Dormitory Fund	<u>550.00</u>
	62,506.77
Cash Transfers Outstanding	295,130.53
Revolving Fund	<u>31,580.00</u>

TOTAL CASH - June 30, 1973

\$7,742,767.36

* Indicates Overdraft

Balances on deposit with the Treasurer are the balances of various funds shown on the accounts of the Treasurer. Warrants, per the Controller's general ledger, drawn before July 1, 1973 but not presented to the Treasurer for payment before July 1, 1973 in the amount of \$1,757,736.26 are shown as liabilities of the various funds in Exhibit "A".

Cash transfers outstanding represent the aggregate of amounts in transfers between the various funds and were recorded as completed transactions as of June 30, 1973, but the transfers were recorded in the accounts of the Treasurer after that date. Deposits in transit were traced directly to the records of the Treasurer.

Accounts Receivable: \$5,079,976.39 - Represents amounts due to the Current and Special Reserve Funds at June 30, 1973, as follows:

Current Fund:

Delinquent Taxes and Penalties	\$ 233,242.66	
Less: Reserve for Delinquent Taxes	<u>36,657.20</u>	\$ 196,585.46

Federal and State Authorizations and Grants:

PL 90-636	Manpower Development Program	\$1,045,107.00	
PL 90-636	Manpower Development Program	188,143.65	
SB 164	Extended Opportunity Program	230,000.00	
PL 90-248	WIN Program	347,712.66	
PL 92-318	National Defense Student Loan	317,215.68	
PL 90-636	Manpower Development and Training Program	47,443.84	
Miscellaneous		<u>875,945.59</u>	3,051,568.42

State Grant Receivable:

Vocational Education Act	\$ 365,155.00	
Veteran's Counseling Service	9,640.58	
ESEA	439,775.00	
Construction - Building and Equipment	<u>463,329.00</u>	1,277,899.58

Other:

Smith Hall Extension	\$ 250,000.00	
Creative Arts Extension	88,500.00	
Miscellaneous	<u>3,187.26</u>	<u>341,687.26</u> \$4,867,740.72

Special Reserve Fund:

Federal and State Authorizations:

PL 667-10	Manpower Development and Training Program	\$ 210,586.62	
PL 667-11	Manpower Development and Training Program	<u>1,649.05</u>	<u>212,235.67</u>

Balance - June 30, 1973

\$5,079,976.39

Interagency Accounts Receivable - \$832,478.20: This item represents services performed for other city agencies which are receivable as of June 30, 1973.

Secured Taxes and Penalties have been recorded as assets and are credited to income when assessed. Federal and State Authorizations and Grants, as shown above, are classified as accounts receivable in the Balance Sheet as of June 30, 1973. Of the total, \$4,867,740.72 applies to the Current Fund and \$212,235.67 pertains to the Special Reserve Fund. The accounting procedures are that projects which are in process and uncompleted as of June 30, 1973 are reflected as a net deferred credit.

FIXED CAPITAL PROPERTIES: \$18,702,555.06, is the aggregate recorded valuation of land, buildings and improvements, and equipment as shown by the Controller's records as of June 30, 1973, as follows:

	Balance July 1, 1972	Additions	Balance June 30, 1973
Land	\$ 592,978.00	\$	\$ 592,978.00
Buildings and Improvements	11,641,229.32	2,232,093.39	13,873,322.71
Equipment	<u>3,388,382.63</u>	<u>847,871.72</u>	<u>4,236,254.35</u>
	<u>\$15,622,589.95</u>	<u>\$3,079,965.11</u>	<u>\$18,702,555.06</u>

CAFETERIA OPERATIONS: The cafeteria operations for the Fiscal Year ended June 30, 1973 disclosed an excess of expenditures over revenues, as follows:

Revenues: \$258,933.98

Expenditures:

Food Purchases	\$169,285.08	
Salaries	72,039.40	
Supplies	20,295.51	
Miscellaneous	<u>208.05</u>	<u>261,828.04</u>

Excess of Expenditures
Over Revenue

\$ (2,894.06)

FEDERAL PROGRAMS

As required by the Audit Division of the Department of Finance, State of California, the following Federal Programs were examined by us and found to be reasonably correct. A review was made of internal procedures and controls were found to be adequate. Authorized grants by the Federal Government during the Fiscal Year ended June 30, 1973 were checked to Board Approval and supporting documents.

	<u>Fiscal Year 1973</u>	
	<u>Revenue</u>	<u>Expenditures</u>
Manpower Development Training Act - Public Law 90-636	\$1,222,690.91	\$ 728,229.51
Student Financial Aid Program Public Law 89-329	300,000.00	220,695.00
College Work Study Program Public Law 89-329	218,264.49	274,380.88
Orthopedic Physicians Assistant Program Public Law 89-751	10,000.00	21,613.49
Operation WIN Clusters Public Law 90-248	-	123,831.43

In addition to the above mentioned programs, an examination was made of the following programs:

Nursing Student Loan Program
National Defense Student Loan Program
Educational Opportunity Program
Law Enforcement Educational Program

GENERAL COMMENTS

City College of San Francisco, a public two year college, was established in 1935 as an integral part of the San Francisco Unified School District. Enrollment in the Spring of 1973 totaled 14,273 students in the day division and 7,101 students in the evening division. The entire program offered by City College of San Francisco is accredited by the Western Association of Schools and Colleges, a nationally recognized accrediting agency.

On June 30, 1970, City College of San Francisco, in conformance with State Law, ended a constructive and cordial relationship with the San Francisco Unified School District. The enabling ordinance separating City College of San Francisco from the San Francisco Unified School District was unanimously approved by the Board of Education, Board of Supervisors, and Mayor Joseph L. Alioto.

It is recommended that the Business Office of the San Francisco Community College located at 33 Gough Street, San Francisco, California add to their accounting staff a full time auditor. His function would be to audit savings accounts, commercial bank accounts, books and records that are independently maintained by the staff at the College site. A review of internal controls must be established so that adequate precautions and safeguards are maintained. It is my belief that this is the function of the Business Office and cannot be delegated nor the responsibility shifted to outside accountants and auditors.

Numerous commercial accounts and savings accounts are maintained at the Bank of America, Ocean and Faxon Branch which are not included as part of this financial report other than shown below:

Commercial Accounts:

Balance - June 30, 1973

Nursing Student Loan Program	\$ 7,830.59
CCSF Educational Program	10,515.54
CCSF Educational Opportunity Program	147,707.65
City College of S. F. Tuition Account	5,862.42
City College National Defense Program	119,055.18
CCSF Law Enforcement Program	4,185.00

Savings Accounts:

City College National Defense Loan Fund	\$ 428.61
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The above accounts were examined by us and found to be in order. The bank accounts were reconciled directly to the books of account and other auditing procedures deemed necessary were performed. In the National Defense Program which reflects students loans, there appears to be a large amount of delinquent and possible uncollectible accounts.

Of more concern are cash balances as shown below which are known as Student Activity Funds. These accounts were not audited by me and do not constitute part of the attached Financial Statements. It is my firm conviction that the Business Office has the financial responsibility to audit and supervise these funds. A conference was held with supervisory District personnel which emphasized the absolute necessity of this.

Commercial Accounts

Balance - June 30, 1973

Accommodation Account of City College of San Francisco	\$ 26,361.97
Associated Students Account of City College of San Francisco	13,576.33
Associated Student's Bookstore	<u>31,111.21</u>
Subtotal	\$ 71,049.51

Savings Accounts:

Accommodation Account of City College of San Francisco	\$ 61,479.15
Associated Students Account of City College of San Francisco	108.71
Associated Student's Bookstore	<u>12,993.89</u>
Subtotal	<u>74,581.75</u>
TOTAL	<u>\$145,631.26</u>

SAN FRANCISCO COMMUNITY COLLEGE DISTRICT

BALANCE SHEET AS OF JUNE 30, 1973

A S S E T S

Cash:
 On Deposit with Treasurer 7,416,056.83
 Cash Transfers Outstanding 295,130.53
 Revolving Funds 31,580.00

Total Cash

Accounts Receivable:
 Delinquent Taxes and Penalties 233,242.66
Less: Reserve for Delinquent Taxes 36,657.20

Federal and State Subventions 196,585.46
 Miscellaneous 4,541,703.67

Total Accounts ReceivableInter-Fund ReceivableInter-Agency Accounts

Inventory 9,787.76
 Amount to be Provided For Payment of Bonds 540,000.00

Fixed Assets:

Land 592,978.00
 Buildings 13,873,322.71
 Equipment 4,236,254.35

Total Fixed AssetsTOTAL ASSETS

	Total	Current Funds	Special Reserve Funds	Trust Funds	Cafeteria Fund	Fixed Assets	Bonded Debt
	\$ 7,416,056.83	\$2,962,106.30	\$4,290,776.63	\$ 62,506.77	\$ 100,667.13		
	295,130.53			295,130.53			
	31,580.00	30,000.00			1,580.00		
<u>Total Cash</u>	\$ 7,742,767.36	\$2,992,106.30	\$4,290,776.63	\$ 357,637.30	\$ 102,247.13		
	\$ 233,242.66	\$ 233,242.66					
	36,657.20	36,657.20					
	\$ 196,585.46	\$ 196,585.46					
	4,541,703.67	4,329,468.00	\$ 212,235.67				
	341,687.26	341,687.26					
<u>Total Accounts Receivable</u>	\$ 5,079,976.39	\$4,867,740.72	\$ 212,235.67				
<u>Inter-Fund Receivable</u>	\$ 268,285.87	\$ 72,039.40	\$ 196,246.47				\$ 540,000.00
<u>Inter-Agency Accounts</u>	\$ 832,478.20	\$ 832,478.20					\$ 540,000.00
Inventory	\$ 9,787.76				\$ 9,787.76		
Amount to be Provided For Payment of Bonds	540,000.00						
	\$ 549,787.76				\$ 9,787.76		
<u>Fixed Assets:</u>							
Land	\$ 592,978.00					\$ 592,978.00	
Buildings	13,873,322.71					13,873,322.71	
Equipment	4,236,254.35					4,236,254.35	
	\$18,702,555.06					\$18,702,555.06	
<u>Total Fixed Assets</u>							
	\$33,175,850.64	\$8,764,366.62	\$4,699,258.77	\$ 357,637.30	\$ 112,034.89	\$18,702,555.06	\$ 540,000.00
<u>TOTAL ASSETS</u>							

LIABILITIES, RESERVES AND UNAPPROPRIATED BALANCES

	<u>Total</u>	<u>Current Funds</u>	<u>Special Reserve Funds</u>	<u>Trust Funds</u>	<u>Cafeteria Fund</u>	<u>Fixed Assets</u>	<u>Bonded Debt</u>
<u>Accounts Payable and Commitments:</u>							
Warrants and Payroll Deductions	\$ 1,757,736.26	\$ 1,728,352.23		\$ 74.00	\$ 29,310.03		
Outstanding	<u>1,396,167.40</u>	<u>1,030,478.92</u>	<u>\$ 8,675.18</u>	<u>357,013.30</u>			
Uncompleted Contracts and Purchase Orders							
Total Accounts Payable and Commitments	\$ 3,153,903.66	\$ 2,758,831.15	\$ 8,675.18	\$ 357,087.30	\$ 29,310.03		
<u>Inter-Agency Accounts</u>	<u>\$ 2,932,323.94</u>	<u>\$ 596,375.34</u>	<u>\$ 2,335,948.60</u>				
<u>Inter-Fund Accounts</u>	<u>\$ 268,285.87</u>	<u>\$ 189,392.68</u>			<u>\$ 78,893.19</u>		
<u>Bonded Debt</u>	<u>\$ 540,000.00</u>						<u>\$ 540,000.00</u>
<u>Deferred Credits</u>	<u>\$ 898,818.72</u>	<u>\$ 898,818.72</u>					
<u>Reserve - Revolving Fund</u>	<u>\$ 31,580.00</u>	<u>\$ 30,000.00</u>			<u>\$ 1,580.00</u>		
<u>Investment in Fixed Assets</u>	<u>\$ 18,702,555.06</u>					<u>\$ 18,702,555.06</u>	
<u>Unencumbered Appropriation</u>	<u>\$ 2,117,389.10</u>	<u>\$ 922.11</u>	<u>\$ 2,115,366.99</u>		<u>\$ 1,100.00</u>		
<u>Unappropriated Balances</u>	<u>\$ 4,530,994.29</u>	<u>\$ 4,290,024.62</u>	<u>\$ 239,268.00</u>	<u>\$ 550.00</u>	<u>\$ 1,151.67</u>		
<u>TOTAL</u>	<u>\$ 33,175,850.64</u>	<u>\$ 8,764,364.62</u>	<u>\$ 4,699,258.77</u>	<u>\$ 357,637.30</u>	<u>\$ 112,034.89</u>	<u>\$ 18,702,555.06</u>	<u>\$ 540,000.00</u>

SAN FRANCISCO COMMUNITY COLLEGE DISTRICT
STATEMENT OF UNAPPROPRIATED BALANCE - CURRENT FUND
For the Fiscal Year Ended June 30, 1973

Balance - July 1, 1972	\$4,855,573.79
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Add:

Excess of Revenues over Expenditures -		
Exhibit "C"	\$2,602,697.56	
Reimbursement of Grant Expenditures	<u>264,476.87</u>	<u>2,867,174.43</u>

\$7,722,748.22

Deduct:

Transfers to Special Reserve	\$3,226,434.00	
Prior Years Adjustment	79,071.36	
Prior Years Expense	53,745.45	
Charges under Manpower Development		
Training Program	9,853.60	
Increase of Appropriations	<u>63,619.19</u>	<u>3,432,723.60</u>

Balance - June 30, 1973	\$4,290,024.62
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SAN FRANCISCO COMMUNITY COLLEGE DISTRICTCURRENT FUNDSTATEMENT OF REVENUES AND EXPENDITURESFor the Fiscal Year Ended June 30, 1973Revenues:

Property Taxes and Penalties	\$15,348,593.77
Apportionment from State of California	7,456,030.00
Federal Grant - Construction Project	463,329.00
Home Owners Property Relief	398,049.44
Business Inventory Property Tax Relief	201,748.44
Federal Aid - E. S. E. A.	589,054.88
Reimbursement for Veteran's Education and Counseling	557,611.80
Tuition from Non-Resident Students	60,327.00
Federal Aid - Public Law 874	342,131.20
Miscellaneous	<u>75,383.50</u>

Total Revenue

\$25,492,259.03

Less: Operating Expenditures:

Administration	\$ 718,102.84	
Instruction	17,343,684.86	
Health Service	70,501.86	
Operations	1,397,162.95	
Maintenance	528,548.63	
Fixed Charges	1,945,260.50	
Transportation of Pupils	1,699.60	
Community Service	11,203.75	
Food Charges	<u>3,783.62</u>	<u>22,019,948.61</u>

\$ 3,472,310.42

Less: Net Capital Outlay from Current Funds869,612.86

Excess of Revenue Over Expenditures

\$ 2,602,697.56



Treasurer's Office



REPORT ON EXAMINATION OF ACCOUNTS

For the Fiscal Year Ended

JUNE 30, 1973

CITY AND COUNTY OF SAN FRANCISCO

OFFICE OF THE CONTROLLER

JANUARY 3, 1974

Nathan B. Cooper
Controller
City and County of San Francisco

TREASURER: Examination of Accounts
Fiscal Year Ended June 30, 1973

Dear Sir:

Under your direction and pursuant to the provisions of Charter Section 3,303, we have examined the Treasurer's financial statements and records.

Mr. Michael K. Tamony, Administrative Assistant and Consultant to the Grand Jury, participated in this examination.

Our examination was made in accordance with generally accepted auditing standards and procedures and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion the accompanying report with schedules attached presents fairly the financial condition of the Treasurer at June 30, 1973, and the results of its operation for the fiscal year then ended, on a basis consistent with that of the preceding year.

Respectfully submitted,

GENERAL AUDITS DIVISION

John J. Harrington
John J. Harrington
Chief Accountant

REPORT APPROVED:

N. B. Cooper
NATHAN B. COOPER
CONTROLLER

REPORT ON EXAMINATION

The Treasurer's accountability for cash and securities as at June 30, 1973, amounted to \$966,380,798.75 compared with June 30, 1972 total of \$878,442,118.97 as detailed below with references to applicable Exhibits.

<u>CASH AND CASH ITEMS</u>	<u>June 30, 1973</u>	<u>June 30, 1972</u>	<u>Exhibit</u>
Cash and Cash Items on Hand	\$ 4,566,704.69	\$ 2,249,088.85	A
Cash in Banks & U.S.			
Treasury Notes	345,702,944.16	305,376,073.61	A, A-1
U.S. Bonds (Par Value)	10,500.00	35,900.00	A
Cash Received after June 30	<u>8,063,511.81</u>	<u>5,319,732.39</u>	A
TOTAL	<u>\$358,343,660.66</u>	<u>\$312,980,794.85</u>	A, C, D

SECURITIES (PAR OR FACE VALUE)

Bonds

Employees' Retirement Fund	\$478,708,707.26	\$454,717,955.26	A
Bequest and Trust Funds	221,585.41	228,505.41	A, A-2
Deposit on Leases	<u>141,000.00</u>	<u>129,000.00</u>	A, A-2
TOTAL	<u>\$479,071,292.67</u>	<u>\$455,075,460.67</u>	A

Stock and Investment
Certificates

Employees' Retirement Fund	\$128,829,673.87	\$110,250,134.65	A
Bequest Funds	97,579.05	90,428.80	A, A-2
Deposit on Leases	<u>38,592.50</u>	<u>45,300.00</u>	A, A-2
TOTAL	<u>\$128,965,845.42</u>	<u>\$110,385,863.45</u>	A
TOTAL SECURITIES	<u>\$608,037,138.09</u>	<u>\$565,461,324.12</u>	A
TOTAL SECURITIES AND CASH	<u>\$966,380,798.75</u>	<u>\$878,442,118.97</u>	

Exhibit "B" of this report is a "Comparative Statement of Revenues, Expenditures and Encumbrances for the Fiscal Years ended June 30, 1969, through June 30, 1973."

Comments follow on the above summary and on other matters covered in this examination.

The Cash and Cash Items total of \$358,343,660.66 was reconciled with the Controller's available cash of \$314,242,884.99 the difference of \$44,100,775.67 consists of outstanding items per Controller's Division of Accounts and Reports as follows:

<u>Outstanding Items</u>	<u>General City</u>	<u>Public Service Enterprises</u>	<u>Total</u>
Warrants Outstanding	\$38,314,071.71	\$5,678,808.96	\$43,992,880.67
Matured and unpaid bonds	20,000.00	39,200.00	59,200.00
Matured and unpaid coupons	<u>18,636.25</u>	<u>30,058.75</u>	<u>48,695.00</u>
TOTAL	<u>\$38,352,707.96</u>	<u>\$5,748,067.71</u>	<u>\$44,100,775.67</u>

Cash and Cash Items on Hand

The sum of \$4,566,704.69 consists of :

<u>Item</u>	<u>Amount</u>	<u>Comments</u>
Coin and Currency	\$ 365,089.94	Verified by Count
Checks on Hand for Deposit	4,186,076.66	All Current: Deposited in Bank
Due from Clearing House	<u>15,538.09</u>	July 2, 1973
	<u>\$ 4,566,704.69</u>	Adjusted on Next Day's Clearing

Cash in banks \$345,702,944.16 (as reconciled to Treasurer's records)
 Cash in banks was confirmed by direct correspondence with the banks and is summarized as follows:

	Amount on Deposit					
	Inactive	Investments	Cash	Investments		
	Deposits					
			Total	Percent		
Bank of America	\$ 91,205,250.37	\$14,673,965.28	\$5,009,263.18	\$10,000,000.00	\$120,888,478.83	34.9%
Bank of California	3,000,000.00	1,000,000.00		4,000,000.00	4,000,000.00	1.1
Bank of Canton	4,725,000.00			4,725,000.00	4,725,000.00	1.4
Bank of Montreal	4,950,000.00			4,950,000.00	4,950,000.00	1.5
Bank of Tokyo	10,875,000.00			10,875,000.00	10,875,000.00	3.2
Barclays Bank of California	2,500,000.00			2,500,000.00	2,500,000.00	.7
Chartered Bank of London	1,111,213.00			1,111,213.00	1,111,213.00	.3
Crocker Nat'l Bank	52,750,000.00			52,750,000.00	52,750,000.00	15.2
First Western Bank	6,500,000.00			6,500,000.00	6,500,000.00	1.9
French Bank of California	2,000,000.00			2,000,000.00	2,000,000.00	.6
Hibernia Bank	7,300,000.00			7,300,000.00	7,300,000.00	2.1
Hongkong Bank of California	3,275,000.00			3,275,000.00	3,275,000.00	.9
Redwood Bank	2,500,000.00			2,500,000.00	2,500,000.00	.7
Sanwa Bank	3,000,000.00			3,000,000.00	3,000,000.00	.9
Security Pacific Nat'l Bank	20,350,000.00			20,350,000.00	20,350,000.00	5.9
Sumitomo Bank	10,360,000.00			10,360,000.00	10,360,000.00	3.0
Union Bank	20,058,594.00			20,058,594.00	20,058,594.00	5.8
United California Bank	10,000,000.00	15,504,808.33		25,504,808.33	25,504,808.33	7.4
Wells Fargo Bank	42,900,000.00		154,850.00	43,054,850.00	43,054,850.00	12.5
TOTAL	\$299,360,057.37	\$31,178,773.61	\$5,164,113.18	\$10,000,000.00	\$345,702,944.16	100.0

All inactive accounts are maintained in compliance with Government Code Section 53643:

"The Treasurer may deposit any part of the money for a definite term agreed upon between him and the depository. The term shall not exceed one year."

Supervisors' Resolution No. 3469, adopted August 17, 1937, authorized the Treasurer to enter into the necessary agreement with the banks, as required by law, for the deposit of funds under his jurisdiction, and to determine the amount that shall be deposited in either active or inactive accounts.

The amounts on deposit in banks June 30, 1973, (Exhibit "A-1") are within the limitations specified in Government Code Section 53638:

"The deposit shall not exceed the total of the paid-up capital and surplus of any depository."

Since December 1, 1971, the Treasurer has had authority under Ordinances 291-71 and 34-72 to make short term investments of surplus funds in the active bank accounts.

Interest income from the active accounts to June 30, 1973 was \$ 250,004.84. Interest and other earnings from the inactive accounts totaled \$14,874,379.88.

United States Bonds (Par Value) \$10,500.00

United States Bonds representing Superior and Municipal Court bail deposits, include \$400.00 for which court orders for release or forfeitures were issued.

Cash Items Received After June 30, 1973 \$8,063,511.81

This item represents 1972-1973 collections which were deposited with the Treasurer in July, 1973.

<u>Date Deposited</u>	<u>Amount</u>
July 2, 1973	\$4,445,730.23
July 3, 1973	474,402.72
July 5, 1973	2,903,976.21
July 6, 1973	<u>239,402.65</u>
	<u>\$8,063,511.81</u>

SECURITIES (PAR VALUE)

Securities summarized below, are held in the joint custody vault, as provided by Charter Section 6.310.

<u>Securities Charged to the Treasurer</u>	<u>Par Value</u>
<u>Bonds</u>	
Employees' Retirement Fund	\$478,708,707.26
Bequest Funds	206,585.41
Trust Funds	15,000.00
Deposit on Leases	<u>141,000.00</u>
TOTAL	<u>\$479,071,292.67</u>
<u>Miscellaneous</u>	
Corporate Stock (Employees' Retirement)	\$128,829,673.87
Corporate Stock (Bequest Funds)	97,579.05
Deposits on Leases	<u>38,592.50</u>
TOTAL	<u>\$128,965,845.42</u>
TOTAL SECURITIES, JUNE 30, 1973	<u>\$608,037,138.09</u>

Book value of the bonds of the Employees' Retirement Fund has been verified and reported by the firm of Farquhar and Heimbucher, Certified Public Accountants, in connection with their audit of the Retirement System. Book value of the other securities charged to the Treasurer will be verified and reported by the firm of Main, Lafrentz & Company, Certified Public Accountants, in connection with their audit of the Office of the Controller.

Bonds (Par Value) Employees' Retirement Fund \$478,708,707.26

Verification and physical count of bonds was made in conjunction with representatives of Farquhar and Heimbucher, Certified Public Accountants, in connection with their audit of the Employees' Retirement System.

Pursuant to Controller's instructions, bonds and coupons maturing during the fiscal year were examined and released by the Controller's Division of Accounts and Reports to the Treasurer for collection. Reports reflecting monthly collections for 1972-1973 were prepared by the Controller's Division of Accounts and Reports and transmitted to the Employees' Retirement Board.

Transactions during the year under review are summarized as follows:

Balance, July 1, 1972 Bonds	\$454,717.955.26
Purchased	<u>99,172,845.11</u>
TOTAL BONDS	\$553,890,800.37
Less: Sold, Called or matured	<u>75,182,093.11</u>
Balance June 30, 1973	<u>\$478,708,707.26</u>
Balance July 1, 1972 (Corporate Stock)	\$110,250,134.65
Purchased	<u>45,410,953.38</u>
TOTAL CORPORATE STOCK	\$155,661,088.03
Less: Sold	<u>26,831,414.16</u>
Balance June 30, 1973	<u>\$128,829,673.87</u>
TOTAL SECURITIES	<u>\$607,538,381.13</u>

Bonds (Par Value) Bequest and Trust Funds \$221,585.41 (Exhibit "A-2")

Bonds in the above amount and unmatured interest coupons attached were examined and verified with the Controller's records; detail of bonds examined is contained in audit working papers.

Interest collections on Bequest and Trust Funds are audited currently by the Controller's Division of Accounts and Reports.

Bonds (Par Value) Deposit on Leases \$141,000.00 (Exhibit "A-2")

These bonds represent security on various leases of City and County property.

Other Corporate Securities \$97,579.05 (Exhibit "A-2")

Represents par value of stocks belonging to bequest funds.

Other Certificates \$38,592.50 (Exhibit "A-2")

Represents Certificates of Deposit and Investment Certificates deposited with the Treasurer as security on various leases.

Collateral Securities (Exhibit "A-1")

Deposit of public funds is regulated by Government Code Sections 53630 - 53681. Certain important provisions regarding collateral are:

Section 53652 requires a depository to maintain with an agent collateral securities having a market value of at least 10% in excess of the total of public funds deposited.

Section 53654 permits agents to maintain securities in a collateral securities pool. The agents are not required to segregate specific securities to match individual public deposits.

Section 53662 gives the Treasurer authority to reject any security he deems not qualified under Section 53651 to secure public deposits.

Section 53661 designates the State Superintendent of Banks as Administrator of Local Agency Security responsible for administration of Sections 53630 - 53681.

AUTHORIZED CITY AND COUNTY BONDS - UNISSUED

Unissued City and County Bonds at June 30, 1973, represent the remainder of issues authorized by the electorate, as follows:

	Total Authorized	SOLD			Unsold June 30, 1973
		Prior to 1972-1973	During 1972-1973		
1909 India Basin	\$ 1,000,000.00	\$ 853,000.00	\$ -0-	\$	147,000.00
1913 3rd Seawall	10,000,000.00	9,450,000.00	-0-		550,000.00
<u>Authorized 11-7-1961</u>					
1961 Municipal Water System	115,000,000.00	113,520,000.00	1,480,000.00		
<u>Authorized 6-2-1964</u>					
1964 Street Lighting	7,000,000.00	5,355,000.00	-0-		1,645,000.00
1964 Sewerage and Sewage Disposal	15,623,000.00	13,495,000.00	-0-		2,128,000.00
<u>Authorized 11-7-1967</u>					
1967 Airport	98,000,000.00	66,100,000.00	-0-		31,900,000.00
<u>Authorized 6-4-1968</u>					
1968 Market Street Recon. & Improv.	24,500,000.00	11,225,000.00	5,250,000.00		8,025,000.00
1968 Sewerage and Water Pollution Control	17,500,000.00	13,745,000.00	-0-		3,755,000.00
<u>Authorized 11-3-1970</u>					
1970 Water Pollution Control	65,000,000.00	13,700,000.00	1,500,000.00		49,800,000.00
<u>Authorized 11-2-71</u>					
1971 Fire Protection	8,491,000.00	-0-	6,150,000.00		2,341,000.00
1971 Harbor Improvement	34,000,000.00	-0-	20,000,000.00		14,000,000.00
<u>Authorized 6-6-72</u>					
1972 Street and Parkway Lighting	6,050,000.00	-0-	1,500,000.00		4,550,000.00
<u>Authorized 11-7-72</u>					
1972 Sewer System Improvement	25,000,000.00	-0-	-0-		25,000,000.00
1972 Municipal Water Supply System	39,000,000.00	-0-	-0-		39,000,000.00
	<u>\$466,164,000.00</u>	<u>\$247,443,000.00</u>	<u>\$35,880,000.00</u>		<u>\$182,841,000.00</u>

To order the printing of bonds when a sale has been made by the Board of Supervisors.

FISCAL AGENT - NEW YORK

Ordinance No. 1184, approved May 30, 1941, designates the First National City Bank of New York as the fiscal agent of the City and County of San Francisco for the purposes of providing payment in the City of New York of principal and interest due on bonds issued by the City and County of San Francisco, and provides the rates of compensation for such fiscal agent. File No. 444-68, Ordinance No. 244-68, approved August 17, 1968 provides for an agreement to be made for schedule of payments. Such agreement was entered effective August 28, 1968.

Transactions reported by said agent and compensation earned during the year ended June 30, 1973, follows:

	Number Processed	Par Value Paid and Cancelled	Compensation	
			Authorized Rate	Earned 1972-73
Bonds (1M)	5,858	\$ 5,858,000.00	\$0.500 Each	\$2,929.00
Bonds (5M)	961	4,805,000.00	0.9375 Each	900.94
Bonds Total	6,819	\$10,663,000.00		
Coupons				
(1M)	92,117	\$ -0-	0.040 Each	3,684.64
(5M)	48,195	-0-	0.075 Each	3,613.88
Coupons Total	<u>140,312</u>	<u>6,808,987.50</u>		\$ 11,128.46
Total		<u>\$17,471,987.50</u>	Total Processing Charges	
			Add: Mail & Express Charges	<u>325.00</u>
			Total	<u>\$ 11,453.46</u>

UNITED STATES SAVINGS BONDS

The purchase of United States Savings Bonds by City and County employees under the Payroll Allotment Plan was authorized by Board of Supervisors' Resolutions No. 2666 and 3786, adopted June 2, 1942 and January 17, 1944, respectively.

The issue value of bonds purchased during the fiscal year for the City and County employees was \$865,800.75 as compared with \$864,093.75 for the prior fiscal year.

REVENUE AND EXPENDITURES (EXHIBIT "B")

Revenues exceeded expenditures and encumbrances by \$14,911,743.60. A comparison with the previous fiscal year follows:

<u>Revenues</u>	<u>1972-1973</u>	<u>1971-1972</u>
Interest earned on U.S. Treasury Notes	\$ 250,004.84	\$ 287,312.94
Interest earned on inactive bank deposits	14,874,379.88	12,507,630.02
Commissions received on inheritance Tax		
Collections	50,000.00	50,000.00
Other Fees	1,177.50	1,043.00
Conscience Money	<u>1,184.00</u>	<u>-0-</u>
Total	\$15,176,746.22	\$12,845,985.96
<u>Expenditures</u>		
Per Controller's Records	<u>265,002.62</u>	<u>252,491.72</u>
Excess of Revenues over Expenditures	<u>\$14,911,743.60</u>	<u>\$12,593,494.24</u>

A five year comparative statement of revenues, expenditures and encumbrances is on Exhibit "B".

Interest on Bank Deposits \$15,124,384.72

In accordance with Government Code Sections 53645 and 53649, interest is computed at rates specified in depository agreements on average daily balances. Such interest was received quarterly and distributed as follows:

	1972-1973 <u>Budget Estimates</u>	1972-1973 <u>And Other Revenues</u>	1971-1972 <u>Interest Income</u>
General, Special Gas Tax and Special Road Improvement Funds	\$11,100,000.00	\$13,660,406.83	\$11,543,562.46
Municipal Railway	<u>192,000.00</u>	<u>62,039.00</u>	<u>183,665.00</u>
Total	\$11,292,000.00	\$13,722,445.83	\$11,727,227.46
S.F. Harbor Improvement	800,000.00	489,142.46	677,835.59
S.F. Water Operating	<u>110,000.00</u>	<u>159,105.31</u>	<u>143,239.70</u>
Total Current P.S.E. Funds	<u>\$12,202,000.00</u>	<u>\$14,370,693.60</u>	<u>\$12,548,302.75</u>
Fuhrman Bequest-Library		10,941.75	12,808.20
Fuhrman Bequest-Park		10,941.75	12,808.20
Health Service System		91,160.62	79,060.89
Martin Heller		3,906.17	3,791.60
Juvenile Court Trust		594.00	391.08
P.P.I.E.		167.00	332.00
Redevelopment Agency		31,234.45	29,674.74
Revenue Sharing		594,673.48	-0-
State Fund-County Fair		1,656.59	1,364.60
LeRoy Vane		<u>8,415.31</u>	<u>6,509.87</u>
Total Bequest and Trust Funds		\$ 753,691.12	\$ 146,741.18
TOTAL		<u>\$15,124,384.72</u>	<u>\$12,695,043.93</u>

The \$62,039.00 credited to the Municipal Railway Operating Fund was distributed and prorated quarterly out of the total unapportioned interest of \$13,722,445.83, on the basis of the Treasurer's daily balances in that fund.

The revenues of the various other funds include bank interest, interest on investments and miscellaneous credits.

Commissions on Inheritance Tax Collections \$50,000.00

Inheritance Tax Commissions and Settlements with the State for the twelve months ending June 30, 1973 are summarized as follows:

Inheritance Tax Collections		\$24,134,137.70
Less: Appraisers' Fees	\$ 13,098.48	
Payments to State	24,071,039.22	24,084,137.70
Commissions Earned, Fiscal Year		<u>\$ 50,000.00</u>

Accounts maintained for Inheritance Tax purposes are recorded on State Controller pre-numbered forms, subject to settlement with the State every two months, and to an audit by the State Controller's Office. Such audit was not duplicated in this assignment.

Pursuant to Revenue and Taxation Code Section 14797 the maximum commissions a Treasurer of a county of the fourth class may retain is \$50,000.00 for a calendar year.

Other Fees \$1,177.50

Miscellaneous revenue consisting principally of receipts from issuance of "Duplicate Tax Receipts and "listing contents of a Safe Deposit Box" collected in accordance with Revenue and Taxation Code Sections 14144 and 14346.

Conscience Money \$1,184.00

This represents various remittances received from unidentified sources and classified as "Conscience Money."

Expenditures \$265,002.62

Expenditures compared with budget appropriations for 1972-1973 are as follows:

<u>By Treasurer</u>	<u>Appropriations as Modified</u>	<u>Expenditures and Encumbrances</u>
Permanent Salaries	\$223,427.06	\$223,166.58
Allowance for Overtime	1,600.00	738.24
Temporary Salaries	6,354.40	6,354.40
Contractual Services	19,984.00	19,390.49
Use of Employees' Cars	780.00	724.48
Materials and Supplies	3,653.33	2,432.74
Equipment	6,884.67	6,796.34
Services of Other Departments	5,846.00	5,374.00
Fixed Charges	25.00	25.35
Total	<u>\$268,554.46</u>	<u>\$265,002.62</u>

Expenditures and encumbrances are currently audited by the Controller's General Office. Such audit was not duplicated in this assignment.

CASH DIFFERENCE FUND

Ordinance No. 68-58, approved February 14, 1958, created a Cash Difference Fund and an Overage Fund in connection with certain offices and departments of the City and County and prescribed the method for the administration of the funds. Since 1963, overages have been deposited immediately to General Fund Surplus rather than to the Overage Fund.

The operations of the two funds are summarized as follows:

	<u>Fund</u>	
	<u>Overage</u>	<u>Difference</u>
Balance July 1, 1972	\$ -0-	\$ 538.44
Plus: Overages	-0-	
Reimbursement	-0-	500.00
Total Available	\$ -0-	\$1,038.44
Less: Deposits with General Fund	-0-	
Disbursements	-0-	687.04
Balance June 30, 1973	<u>\$ -0-</u>	<u>\$ 351.40</u>

The balance in the Cash Difference Fund was verified by count.

SURETY BOND - TREASURER

Thomas C. Scanlon, Treasurer, is bonded for \$200,000.00 in accordance with Charter Section 3.405. Current bond is Hartford Accident and Indemnity Company No. 977698 for \$200,000.00 with coverage from August 1, 1972 to August 1, 1973. The Controller has custody of the bond in accordance with Charter Section 3.304.

SURETY BOND OF EMPLOYEES

Pursuant to Ordinance No. 8075, August 5, 1953, as amended by Ordinance No. 93062, April 10, 1962, Blanket Bond No. 181 13 96, Fidelity and Casualty Company of New York, expiring September 7, 1975, covers all employees of the City and County of San Francisco under Section 1 of Ordinance No. 94-61 for faithful performance and under Section 7 of Ordinance No. 8075 up to \$50,000.00 for any one employee or the sum of \$50,000.00 as to any one loss.

FORGERY INSURANCE

Forgery Insurance up to \$100,000.00 (\$200.00 aggregate deductible) is provided by Continental Insurance Company, Policy No. 187767 for the period May 15, 1972 to May 15, 1975 with a 30 day cancellation rider. Policy is on file with the Controller.

MONEY AND VALUABLES INSURANCE

Pursuant to Ordinance No. 31-70, the City is insured by Fidelity and Casualty of New York, Policy No. BBF 1 72 84 86, for the period of September 7, 1972 to September 7, 1975 (\$1,000.00 deductible), as follows:

Inside Premise Coverage:

Money and securities and valuables	\$500,000.00
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Outside Premise Coverage:

Money and securities and valuables	75,000.00
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ITEMS HELD BY TREASURER FOR SAFEKEEPING

Miscellaneous items forwarded by other departments to the Treasurer for safekeeping were inventoried. Details are on file with the Controller's General Audits Division.

SUMMARY OF CASH AND SECURITIES

	<u>June 30th</u>	
<u>CASH AND CASH ITEMS</u>	<u>1973</u>	<u>1972</u>
<u>CASH AND CASH ITEMS ON HAND</u>		
Coin and Currency	\$ 365,089.94	\$ 377,936.95
Checks on Hand for Deposit	4,186,076.66	1,871,132.26
Due from Clearing House	15,538.09	19.64
	<u>\$ 4,566,704.69</u>	<u>\$ 2,249,088.85</u>
<u>CASH IN BANKS (EXHIBIT A-1)</u>		
U.S. Treasury Notes	\$ 10,000,000.00	\$ 12,000,000.00
Active Accounts	5,164,113.18	8,844,894.26
Inactive Accounts	330,538,830.98	284,531,179.35
Total	<u>\$345,702,944.16</u>	<u>\$305,376,073.61</u>
<u>UNITED STATES BONDS (PAR VALUE)</u>		
	<u>\$ 10,500.00</u>	<u>\$ 35,900.00</u>
<u>CASH RECEIVED AFTER JUNE 30, 1972 AND</u> <u>APPLIED TO FISCAL YEAR 1971-1972</u>		
Total (Exhibit "C" and "D")	<u>\$8,063,511.81</u>	<u>\$ 5,319,732.39</u>
	<u>\$358,343,660.66</u>	<u>\$312,980,794.85</u>
<u>SECURITIES</u>		
<u>BONDS (PAR VALUE)</u>		
Employees' Retirement Fund	\$478,708,707.26	\$454,717,955.26
Bequest Funds	206,585.41	213,505.41
Trust Funds	15,000.00	15,000.00
Deposits on Leases	141,000.00	129,000.00
Total	<u>\$479,071,292.67</u>	<u>\$455,075,460.67</u>
<u>OTHER (PAR OF FACE VALUE)</u>		
Corporate Stock (Employees' Retirement)	\$128,829,673.87	\$110,250,134.65
Corporate Stock (Bequest Funds)	97,579.05	90,428.80
Certificates (Lease Deposits)	38,592.50	45,300.00
Total	<u>\$128,965,845.42</u>	<u>\$110,385,863.45</u>
Total Securities	<u>\$608,037,138.09</u>	<u>\$565,461,324.12</u>
Total Cash and Securities	<u>\$966,380,798.75</u>	<u>\$878,442,118.97</u>

BEQUESTS, TRUST FUNDS AND DEPOSIT ON LEASES
IN JOINT CUSTODY VAULT JUNE 30, 1973

<u>BEQUEST FUNDS</u>	<u>BONDS PAR VALUE</u>	<u>FACE VALUE CORPORATE STOCK</u>	<u>CONTROLLER'S BOOK VALUE</u>
Brunetti	\$	\$ 50.25	\$ 94.25
Fuhrman - Library	110,000.00		115,250.00
Gourley		3,352.00	72,433.00
Herzstein	8,000.00		7,926.39
Lewis		260.00	2,000.00
Olsen	1,000.00		992.81
Robinson	40,000.00		40,000.00
Salinger		2,005.00	25,401.95
Schmulowitz (Special Anec. Book)	10,500.00		9,940.95
Sutro	5,000.00		4,996.88
Vane	17,085.41	91,911.80	412,454.72
Windell	15,000.00		15,009.38
Total	\$206,585.41	\$97,579.05	\$706,500.33

TRUST FUNDS

Panama Pacific Exposition	15,000.00		11,307.21
Total Bequest and Trust Funds	<u>\$221,585.41</u>	<u>\$97,579.05</u>	<u>\$717,807.54</u>

DEPOSIT ON LEASES

	<u>BONDS PAR VALUE</u>	<u>INVESTMENT CERTIFICATES AND CHECKS</u>	<u>TOTAL</u>
Chih-Chien Chin & Chiu-Meitz Chin		\$ 5,000.00	\$ 5,000.00
Elsie A. Conzidi	\$	1,500.00	1,500.00
Di Salvo Trucking Company	2,000.00	3,000.00	5,000.00
Mr. and Mrs. Robert Jepson		300.00	300.00
Howard S. Kinoshita		750.00	750.00
Elias Leider	12,000.00		12,000.00
David P. Mandeville		742.50	742.50
Mission Street Merchants		5,000.00	5,000.00
Martin and Maurice Murphy	1,000.00		1,000.00
Nagata, Tom		700.00	700.00
Savoy Auto Park and Garage, Inc.		5,000.00	5,000.00
William H. Segale	1,000.00		1,000.00
Joseph L. Silva & Edith S. Lowell		3,600.00	3,600.00
Welch Catering-Civic Auditorium		12,000.00	12,000.00
-Kezar		1,000.00	1,000.00
Woodfield Company	125,000.00		125,000.00
Total Deposits on Leases	<u>\$141,000.00</u>	<u>\$38,592.50</u>	<u>\$179,592.50</u>

TREASURER

EXHIBIT "B"

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND ENCUMBRANCES

Fiscal Year Ended June 30th

REVENUES

	1973	1972	1971	1970	1969
Interest on U.S. Treasury Notes	\$ 250,004.84	\$ 287,312.94	\$ -0-	\$ -0-	\$ -0-
Earnings from Inactive Accounts	14,874,379.88	12,507,630.02	14,636,517.19	13,807,269.87	10,735,692.51
Commission on Inheritance Tax					
Collections	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00
Other Fees	1,177.50	1,043.00	1,113.00	1,273.79	952.24
Conscience Money	1,184.00	-0-	75.00	341.50	1,219.00
Total	\$15,176,746.22	\$12,845,985.96	\$14,687,705.19	\$13,858,885.16	\$10,787,863.75

EXPENDITURES AND ENCUMBRANCES

Permanent Salaries	\$ 223,166.58	\$ 221,982.97	\$ 212,757.01	\$ 216,046.82	\$ 193,597.03
Allowance for Overtime	738.24	1,405.57	1,778.85	731.84	881.21
Temporary Salaries	6,354.40	-0-	-0-	5,040.00	
Contractual Services	8,661.51	10,223.61	18,984.44	8,267.45	4,272.69
Fiscal Agent - New York	11,453.46	11,126.45	11,117.78	12,301.40	14,200.61
Materials and Supplies	2,432.74	2,737.12	2,660.58	2,224.27	2,102.46
Equipment	6,796.34	-0-	489.50		
Services of Other Departments	5,374.00	5,016.00	3,783.00	3,972.00	3,968.00
Fixed Charges	25.35				
Total	\$ 265,002.62	\$ 252,491.72	\$ 251,551.16	\$ 248,583.78	\$ 219,022.03
Net Revenues	\$14,911,743.60	\$12,593,494.24	\$14,436,154.03	\$13,610,301.38	\$10,568,841.71

COMPARATIVE SUMMARY OF CASH TRANSACTIONS

	<u>Fiscal Year Ended June 30th</u>	
<u>CASH TRANSACTIONS</u>	<u>1973</u>	<u>1972</u>
<u>CASH BALANCE - BEGINNING OF YEAR</u>	<u>\$ 312,980,794.85</u>	<u>\$ 304,814,848.22</u>
<u>RECEIPTS</u>		
Receipts	1,172,173,728.95	1,112,831,660.31
Journal Transfers (Contra)	<u>1,138,209,833.96</u>	<u>1,156,983,262.45</u>
Total	<u>\$2,310,383,562.91</u>	<u>\$2,269,814,922.76</u>
Total Balance & Receipts	<u>\$2,623,364,357.76</u>	<u>\$2,574,629,770.98</u>
<u>DISBURSEMENTS</u>		
Cash Disbursements	\$1,126,810,863.14	\$1,104,665,713.68
Journal Transfers (Contra)	<u>1,138,209,833.96</u>	<u>1,156,983,262.45</u>
Total	<u>\$2,265,020,697.10</u>	<u>\$2,261,648,976.13</u>
<u>CASH BALANCE - END OF YEAR</u>		
(EXHIBITS "A" AND "D")	<u><u>\$ 358,343,660.66</u></u>	<u><u>\$ 312,980,794.85</u></u>

COMPARATIVE SUMMARY OF CASH TRANSACTIONS

<u>CASH TRANSACTIONS</u>	<u>FISCAL YEAR ENDED JUNE 30th</u>	
<u>CURRENT FUNDS</u>	<u>1973</u>	<u>1972</u>
Cash Balance Beginning of Year	\$ 166,788,697.27	\$ 148,865,724.65
Cash Receipts	812,604,112.16	748,087,293.87
Journal Transfers	<u>1,017,726,803.19</u>	<u>991,422,495.80</u>
Total Available	\$1,997,119,612.62	\$1,888,375,514.32
Cash Disbursements	\$ 726,719,705.42	\$ 691,042,515.46
Journal Transfers	<u>1,060,520,129.40</u>	<u>1,030,544,301.59</u>
Total Disbursements	\$1,787,239,834.82	\$1,721,586,817.05
CASH BALANCE - END OF YEAR (EXHIBIT "D")	<u>\$ 209,879,777.80</u>	<u>\$ 166,788,697.27</u>
<u>CAPITAL FUNDS</u>		
Cash Balance Beginning of Year	\$ 117,133,685.92	\$ 128,864,118.06
Cash Receipts	36,649,025.18	41,718,013.05
Journal Transfers	<u>42,410,299.48</u>	<u>90,034,286.53</u>
Total Available	\$ 196,193,010.58	\$ 260,616,417.64
Cash Disbursements	16,562,595.52	20,416,111.20
Journal Transfers	<u>65,009,103.26</u>	<u>123,066,620.52</u>
Total Disbursements	\$ 81,571,698.78	\$ 143,482,731.72
Cash Balance - End of Year (Exhibit "D")	<u>\$ 114,621,311.80</u>	<u>\$ 117,133,685.92</u>
<u>TRUST AND AGENCY FUNDS</u>		
Cash Balance - Beginning of Year	\$ 29,058,411.66	\$ 27,085,005.51
Cash Receipts	322,920,591.61	323,026,353.39
Journal Transfers	<u>78,072,731.29</u>	<u>75,526,480.12</u>
Total Available	\$ 430,051,734.56	\$ 425,637,839.02
Cash Disbursements	\$ 383,528,562.20	\$ 393,207,087.02
Journal Transfers	<u>12,680,601.30</u>	<u>3,372,340.34</u>
Total Disbursements	\$ 396,209,163.50	\$ 396,579,427.36
Cash Balance - End of Year (Exhibit "D")	<u>\$ 33,842,571.06</u>	<u>\$ 29,058,411.66</u>
Total Cash on Hand (Exhibit "A" & "D")	<u>\$ 358,343,660.66</u>	<u>\$ 312,980,794.85</u>

City and County of San Francisco
Employees' Retirement System



REPORT ON EXAMINATION OF ACCOUNTS

For the Fiscal Year Ended

June 30, 1972



FARQUHAR & HEIMBUCHER

Certified Public Accountants

220 BUSH STREET
SAN FRANCISCO, CALIFORNIA 94104

September 17, 1973

To the Honorable Nathan B. Cooper, Controller
City and County of San Francisco
San Francisco, California

We have examined the balance sheet of the San Francisco City and County Employees' Retirement System at June 30, 1972, and the related statement of changes in reserves for the year then ended. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the aforementioned financial statements present fairly the financial position of the San Francisco City and County Employees' Retirement System at June 30, 1972, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Our examination also included the accompanying supplementary financial information. In our opinion, the information contained therein is presented fairly in all material respects when considered in relation to the basic financial statements.

Farquhar & Heimbuher

San Francisco City and County Employees' Retirement System

BALANCE SHEET AT JUNE 30, 1972

Assets

CASH		\$ 9,233,298
RECEIVABLES		
Employees' contributions in process of collection	1,333,755	
City and County of San Francisco contributions and reimbursements	1,731,313	
Bond interest accrued	5,871,196	
Proceeds from sale of securities	<u>1,898,075</u>	10,834,339
BOND INVESTMENTS AT AMORTIZED VALUE		
(Par value - \$ 454,717,955)		
United States Government	24,359,419	
Canadian Government	11,318,741	
California municipalities	248,269	
Other municipalities	1,326,869	
Insurance companies	1,450,000	
Public utilities	284,621,823	
Railroads	32,733,625	
Industrial companies	48,253,234	
Financial	43,523,323	
International Bank for Reconstruction and Development	<u>4,342,026</u>	452,177,329
STOCK INVESTMENTS AT COST		
Common (Market value, \$ 109,943,572)		109,019,521

\$ 581,264,487

Liabilities

LIABILITIES CURRENTLY PAYABLE

Tax appropriations in excess of current requirements, payable to the City and County of San Francisco	\$ 1,809,364	
Accumulated contributions of former members	23,261	
Administrative costs	92,175	
Excess interest earnings payable	<u>57,783</u>	1,982,583

RESERVES

For current service benefits already granted		
Service retirements		
Annuities	42,983,176	
Pensions	130,814,887	
Disability retirements		
Annuities	6,465,243	
Pensions	59,509,292	
Industrial death allowances		
Annuities	1,715,735	
Pensions	13,368,617	
Cost of living allowance	<u>3,536,676</u>	258,393,626
For current service benefits not yet granted		
Members' accumulated contributions	183,082,739	
City and County of San Francisco		
accumulated contributions	<u>117,543,871</u>	300,626,610
City and county of San Francisco contributions reserved for benefits not otherwise funded		4,654,605
Unallocated earnings from the sale of bonds		113,520
Contingency reserve against adverse experience		<u>15,493,543</u>
		\$ <u><u>581,264,487</u></u>

The accompanying notes are an integral part of the financial statements

San Francisco City and County Employees' Retirement System

STATEMENT OF CHANGES IN RESERVES

For the Year ended June 30, 1972

MEMBERS' CONTRIBUTIONS

Normal			
General	\$ 15,679,088		
Police	1,811,199		
Fire	<u>1,595,384</u>	19,085,671	
Additional		31,751	
Redeposit of withdrawn contributions		<u>77,637</u>	19,195,059

CITY AND COUNTY OF SAN FRANCISCO

REGULAR CONTRIBUTIONS

Current service reserves			
General	27,240,918		
Police	8,416,377		
Fire	<u>6,387,141</u>	42,044,436	
Current service benefits			
General	11,460		
Police	389,362		
Fire	<u>2,840,911</u>	3,241,733	
Prior service benefits			
General	565,925		
Police	847,948		
Fire	<u>1,731,965</u>	<u>3,145,838</u>	48,432,007

INCOME

Bond interest earned		22,835,296	
Dividends		2,101,115	
Gain (loss) on sale of investments			
Stocks	4,965,220		
Bonds	<u>(4,243,596)</u>	<u>721,624</u>	25,658,035

CITY AND COUNTY OF SAN FRANCISCO

OTHER CONTRIBUTIONS

For administrative expenses (Contra)		989,977	
For compensation costs incurred (Contra)		<u>1,420,239</u>	<u>2,410,216</u>
Total reserve additions			95,695,317

Total reserve additions forward		\$ 95,695,317	
DISBURSEMENTS TO MEMBERS AND BENEFICIARIES			
Allowances and benefits paid from accumulated contributions			
Members	5,388,664		
City and County of San Francisco			
Current service	24,447,408		
Prior service	3,145,752		
Cost of living benefits	<u>1,066,025</u>	34,047,849	
Accumulated contributions withdrawn		<u>2,482,623</u>	36,530,472
DISTRIBUTION OF EXCESS INTEREST EARNINGS			1,020,166
ADMINISTRATIVE EXPENSES PAID			
General - (Contra)		989,977	
Investment		<u>57,034</u>	1,047,011
COMPENSATION COSTS INCURRED (CONTRA)			
Weekly benefits	1,322,898		
Medical expenses	1,248,662		
Administrative expenses	<u>78,791</u>		
	<u>2,650,351</u>		
Less Subrogation recoveries	<u>3,290</u>	2,647,061	
Reimbursements from special funds		<u>1,226,822</u>	1,420,239
RETROACTIVE SOCIAL SECURITY PAYMENTS			<u>40,761</u>
Total reserve reductions			<u>40,058,649</u>
EXCESS OF RESERVE ADDITIONS OVER REDUCTIONS			55,636,668
RESERVES AT JUNE 30, 1971			523,645,236
RESERVES AT JUNE 30, 1972			
For current service benefits already granted		258,393,626	
For current service benefits not yet granted		300,626,610	
City and County of San Francisco contributions reserved for benefits not otherwise funded		4,654,605	
Unallocated earnings from sale of bonds		113,520	
Contingency reserve against adverse experience		<u>15,493,543</u>	
			<u>\$ 579,281,904</u>

The accompanying notes are an integral part of the financial statements

San Francisco City and County Employees' Retirement System

NOTES TO FINANCIAL STATEMENTS

June 30, 1972

Note 1. The Retirement System has made no estimate of its contingent liability at June 30, 1972, for compensation claims pending under the workmen's compensation laws of the State of California. At June 30, 1969, the estimated liability was \$ 6,000,000. No reserve is provided for compensation claims, which are paid by the Retirement System out of funds provided by the City and County of San Francisco in each annual appropriation ordinance.

Note 2. Reserves are not provided to meet pension requirements for current or prior service of policemen retired under charter section 166 or of firemen retired under charter section 169 nor for prior service of other members. These benefits are provided out of current contributions of the City and County of San Francisco. The estimated requirements for these benefits at June 30, 1971, were \$ 49,095,500 based on an actuarial survey at that date.

Note 3. Under the provisions of sections 165.2, 168.1 and 171.1 of the charter of the City and County of San Francisco, an actuarial valuation is to be made every even numbered year and an investigation every odd numbered year to determine the estimated requirements of the fund.

SUPPLEMENTARY FINANCIAL INFORMATION

The accompanying supplementary financial information, while not essential to a fair presentation of overall financial position and results of operations, is submitted as additional analytical data.

SUMMARY OF CONTENTS

General Comments

Comments on Operations

Comments on Balance Sheet

GENERAL COMMENTS

Our examination was made under the terms of an agreement with the Controller of the City and County of San Francisco dated March 1, 1972.

The San Francisco City and County Employees' Retirement System was established by the Board of Supervisors of the City and County of San Francisco on April 1, 1922. Membership in the System at present includes all permanent civil service employees of the City and County of San Francisco and the San Francisco Unified School District, certain part time employees, and certain elective officials. The active membership at June 30, 1972, was approximately 26,500; 7,978 retired employees or their beneficiaries were then receiving monthly benefit allowances.

The System is administered by the Retirement Board consisting of seven members. They are the President of the Board of Supervisors, three active members of the System elected by the membership, and three members appointed by the Mayor.

COMMENTS ON OPERATIONS

We have not audited the operating accounts in detail but have reviewed the system of internal control and the accounting procedures in use and have made sufficient tests of the transactions reflected in the statement of changes in reserves to satisfy ourselves as to its general accuracy.

Contributions of the City and County of San Francisco were found to be in accordance with the charter provisions. In the case of members contributing under the matching plan provided under charter section 165, the City and County of San Francisco contributed amounts equal to the members' normal contributions. Contributions on behalf of members who are contributing under charter sections 165.2, 168.1, and 171.1 were computed at rates established by the consulting actuary. These rates are as follows:

<u>Department</u>	<u>Charter Section</u>	<u>Rates</u>
Police Department	168.1	29.877%
Fire Department	171.1	25.782
Others	165 (16.70-1)	11.502
All others	165.2	11.502

In addition to the above contributions for current service benefits the City and County of San Francisco made contributions for payment of prior and current service benefits to policemen retired under sections 166 and 167 and firemen retired under sections 169 and 170 and for prior and current service benefits to other members retired or deceased.

Charter section 165.4 provides a credit to the San Francisco Unified School and Community College District for City and County contributions previously made for the benefit of teachers or other employees who retire under the State Teachers' Retirement System of California, and relinquish their rights under the San Francisco City and County Employees' Retirement System. The credit for the year ended June 30, 1972, was calculated at \$ 2,445,619, all of which was offset against School District contributions for that year.

Bond interest earned represents interest collected or accrued less amortization of premium plus accumulation of discount.

Other contributions of the City and County of San Francisco represent reimbursement of actual administrative expenses and net compensation costs incurred.

A summary of the benefits paid during the year is as follows:

Service retirements	\$ 21,629,501
Disability retirements	7,023,410
Industrial death allowances	1,829,588
Death benefits to members' beneficiaries	1,568,728
Death benefits to beneficiaries of retired employees	930,597
Cost of living benefits	<u>1,066,025</u>
Total	\$ <u>34,047,849</u>

The excess of reserve additions over reductions for the year is added to the several reserve accounts which are described elsewhere in this report.

COMMENTS ON BALANCE SHEET

In the following paragraphs we comment on certain of the assets and liabilities of the Retirement System in the order in which they appear on the balance sheet, Exhibit A.

City and County of San Francisco Contributions
and Reimbursements - \$ 1,731,313

A summary of the balances due from the City and County of San Francisco at June 30, 1972, is as follows:

City and County contributions due from public utilities and special funds	\$ 962,840
Contributions of policemen paid to Police Relief and Pension Fund prior to January 8, 1932	1,826
Due from special funds: Compensation costs	92,864
Due from general fund: Retirement costs	<u>673,783</u>
Total	<u>\$ 1,731,313</u>

The amount of City and County of San Francisco contributions due from public utilities and special funds represents the portion of retirement contributions for the year ended June 30, 1972, for which cash transfers were made after that date.

Contributions of policemen, made prior to January 8, 1932, were not transferred to the Retirement System when the police department joined the Retirement System on that date. Instead, the balance is reduced at the time of separation, death, or retirement of each member by the amount of the contribution made to the former fund by that individual member plus interest, and charged against current tax appropriations.

Bond Investments - \$ 452,177,329

Bonds owned by the System are held in the joint custody of the Controller and the Treasurer of the City and County of San Francisco. They were verified by us by inspection or confirmation on July 10, 1972.

The above amount represents the purchase price of bonds owned adjusted for amortization of premiums and discounts from the dates of purchase to June 30, 1972. None of the bonds owned appeared in default as to principal or interest at June 30, 1972, and all appeared to be of a character legal for investment by insurance companies in the State of California.

On the books of the System the amortized value of the bond investments is reduced by the balance of the undistributed earnings from the disposition of certain bonds in prior years. For financial statement purposes, however, this balance, which amounted to \$ 113,520 at June 30, 1972, is shown as a reserve as described later in this report.

Stock Investments at Cost - \$ 109,019,521

On January 15, 1969, the Retirement Board authorized the investment of Retirement System funds in stocks, not to exceed 25% of total assets. As of June 30, 1972, stock investments constituted approximately 18.8% of total assets. Bank of America and Dodge & Cox, Inc. serve as investment counselors.

The stock certificates are held in the joint custody of the Controller and Treasurer of the City and County of San Francisco. They were verified by us on July 10, 1972, by inspection or confirmation.

Reserves for Current Service
Benefits Already Granted - \$ 258,393,626

This account represents the accumulated contributions transferred to provide annuities and pensions for current service to retired members or their beneficiaries, plus interest, less benefits paid.

In 1970 the Retirement Board established a reserve for cost of living increases. Changes in this account during the year under review were as follows:

Balance at June 30, 1971	\$ 4,194,879
Interest credited during the year	166,694
Transfers upon retirement of members	241,127
	<u>4,602,700</u>
Benefits paid	<u>1,066,024</u>
Balance at June 30, 1972	\$ <u>3,536,676</u>

Reserves for Current Service Benefits
Not Yet Granted - \$ 300,626,610

Members' contributions accumulated, as required by the applicable sections of the charter, together with the accrued interest, amount to \$ 183,082,739, representing the aggregate of the balances reflected on individual members' accounts.

City and County of San Francisco accumulated contributions of \$117,543,871 for the benefit of present members not yet retired are also reflected in this account. Separate accounts are not maintained for individual members, but the contributions are computed in accordance with the charter section applicable to each member.

For the fiscal year ended June 30, 1972, interest was credited to these accounts at the rate of four and one-half per cent.

City and County of San Francisco Contributions
Reserved for Benefits not Otherwise Funded - \$ 4,654,605

City and County of San Francisco contributions reserved for prior and current service benefits not otherwise funded consist of unallocated funds retained by the System, as provided by an ordinance effective June 30, 1946, plus annual additions for City and County of San Francisco contributions released as a result of withdrawal or death of members who were participating under matching plans, and interest credited. Allocations are made from these funds for financial statement purposes to the reserve for disability pensions in order to increase this reserve to the present value of the current service portion of disability pensions for retired members. These funds are also reduced annually for certain death benefits of active and retired members and for the restoration of matching contributions in connection with the redeposit of members' contributions previously withdrawn.

Changes in this reserve during the year under review were as follows:

Balance at June 30, 1971		\$ 4,480,430
Interest credited		<u>330,805</u>
		4,811,235
Less Death benefits paid to beneficiaries of matching plan members	26,800	
Additional allocation to reserve for disability pensions	<u>129,830</u>	<u>156,630</u>
Balance at June 30, 1972		\$ <u><u>4,654,605</u></u>

Unallocated Earnings from the Sale of Bonds - \$ 113,520

Unallocated earnings from sale of bonds represent the unabsorbed portion of book profit from the sale of certain bonds. This reserve was created in accordance with resolutions adopted by the Retirement Board, and is being distributed over the life of the bonds purchased with the proceeds.

The following schedule shows the allocation of profit to date:

Profit realized from sale of bonds prior to June 30, 1955		\$ 5,114,883
Profit applied for 29 years ended June 30, 1971		<u>4,834,351</u>
Balance undistributed at June 30, 1971		280,532
Profit applied for year ended June 30, 1972		
Applicable to bonds sold during the year	162,186	
Applicable to bonds held at end of the year	<u>4,826</u>	<u>167,012</u>
Balance undistributed at June 30, 1972		\$ <u>113,520</u>

Contingency Reserve against Adverse
Experience - \$ 15,493,543

The contingency reserve against adverse experience represents the excess of investment income and gains realized over interest credited to accumulated contributions and reserve accounts at the rates established by the Retirement Board. This reserve was established to meet possible deficiencies in interest of future years, losses on investments, and other contingencies, as approved by the Retirement Board at their meeting of December 14, 1949.

Changes in this account during the year under review were
as follows:

Balance, June 30, 1971		\$ 14,172,407
Bond interest earned	22,835,198	
Dividend income	2,101,115	
Gain on sale of stocks	4,965,220	
Loss on sale of bonds	<u>(4,081,410)</u>	<u>25,820,123</u>
		39,992,530
Less Interest credited to accumulated contributions and reserves	23,478,821	
Excess earnings paid as dividend	<u>1,020,166</u>	<u>24,498,987</u>
Balance, June 30, 1972		\$ <u>15,493,543</u>



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Annual Report

of the

Controller

of the
City and County of San Francisco
For the Fiscal Year Ended June 30, 1974





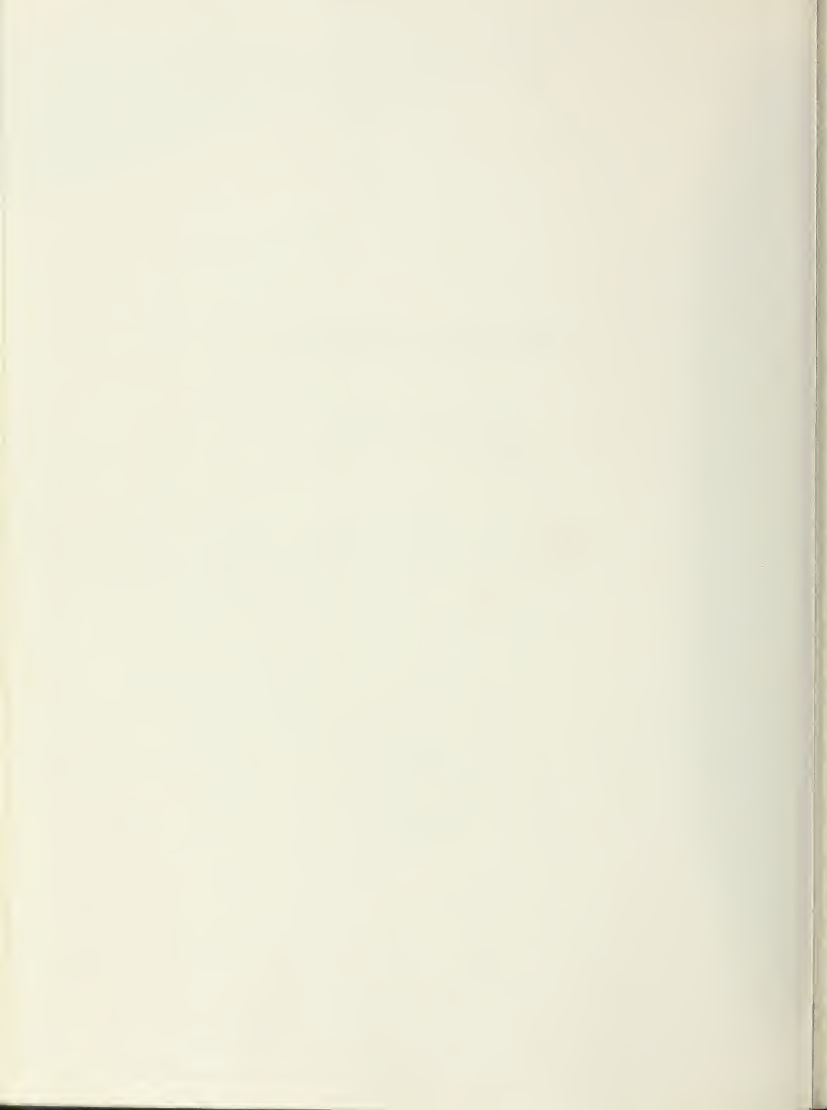
Annual Report

of the

Controller

of the
City and County of San Francisco
For the Fiscal Year Ended June 30, 1974





CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER
OCTOBER 31, 1974

To His Honor, the Mayor,
and the honorable the Board of Supervisors
City and County of San Francisco

Gentlemen:

The annual report of the Controller for the fiscal year ended June 30, 1974 is submitted herewith, as provided by Section 3.303 of the Charter.

The accounts of the Controller were audited by Main Lafrentz & Co. by direction of the Board of Supervisors, in accordance with provisions of Section 3.305 of the Charter.

By direction of the Controller, the following audits reported herein were performed by the accounting firms indicated:

San Francisco Water Department, Hetch Hetchy
Water and Power Project, by John F. Forbes &
Company.

Municipal Railway, by Hurdman and Cranstoun.

San Francisco Airport, by Hood and Strong.

San Francisco Unified School District by
Harold T. Hoertkorn.

San Francisco Community College District by
Harold T. Hoertkorn.

Port of San Francisco, by Main Lafrentz & Co.

Employees' Retirement System by Hurdman and
Cranstoun.

The audit of the Employees' Retirement System by Hurdman and Cranstoun is for the year ended June 30, 1973.

As prescribed by Section 3.303 of the Charter, the audit of the Office of the Treasurer of the City and County of San Francisco was made by the Controller's Audit Staff.

Statistical schedules and charts were prepared by the Controller's Division of Accounts and Reports.

Very truly yours,



NATHAN B. COOPER
CONTROLLER

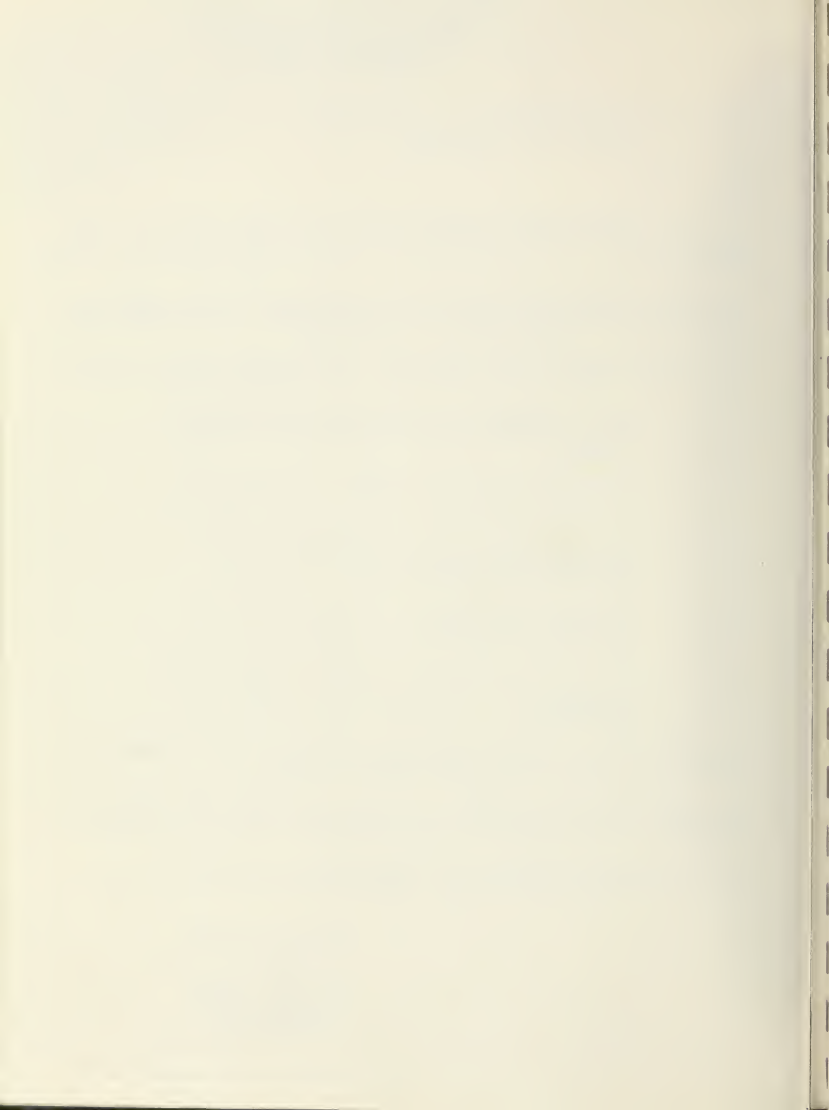


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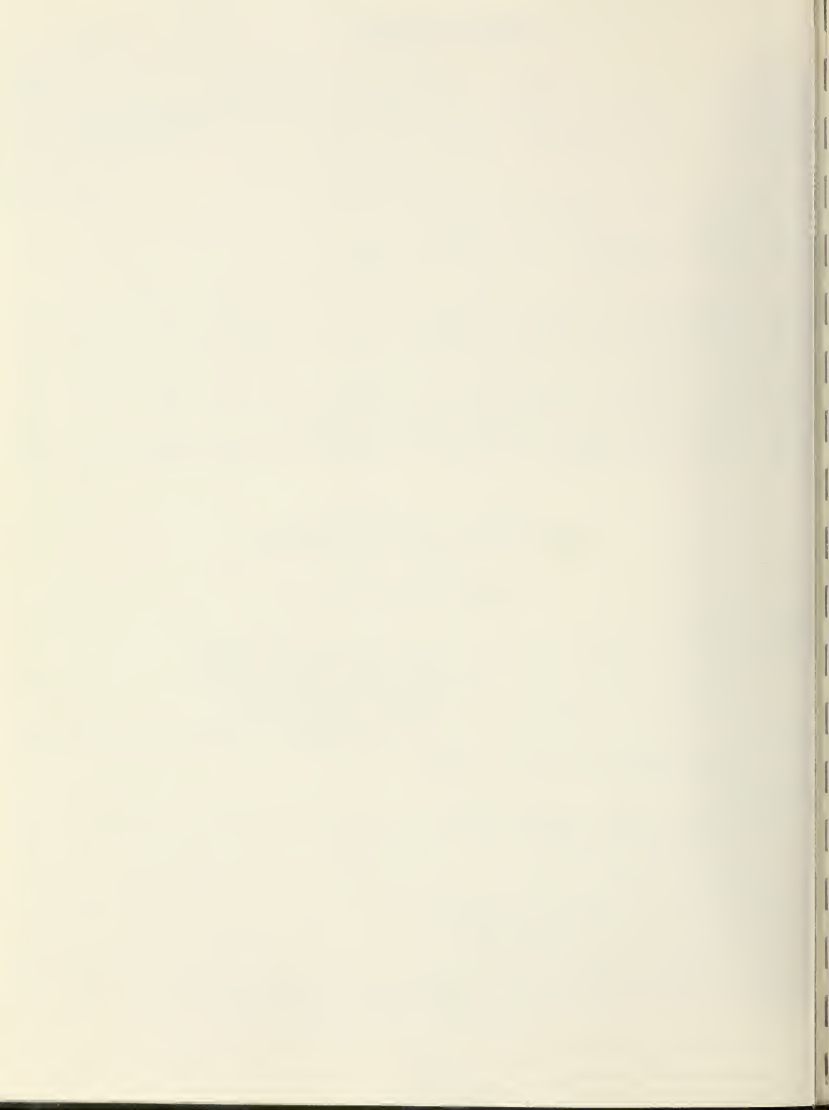
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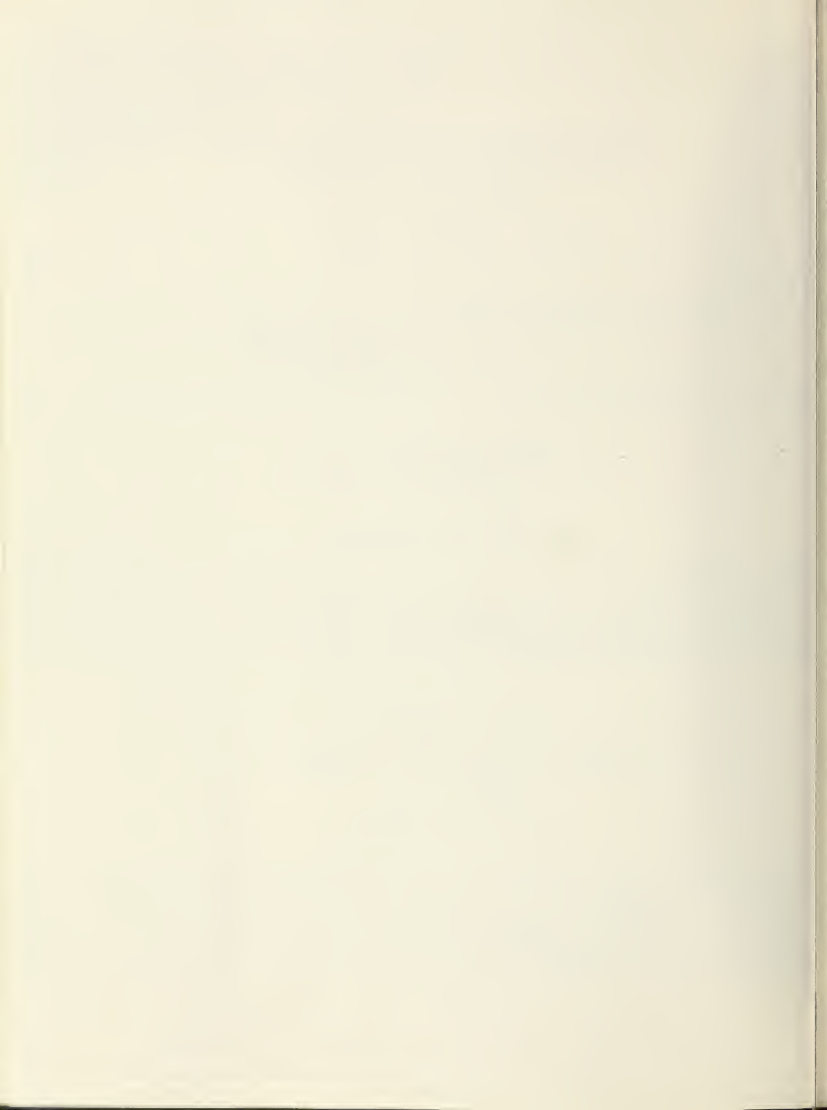
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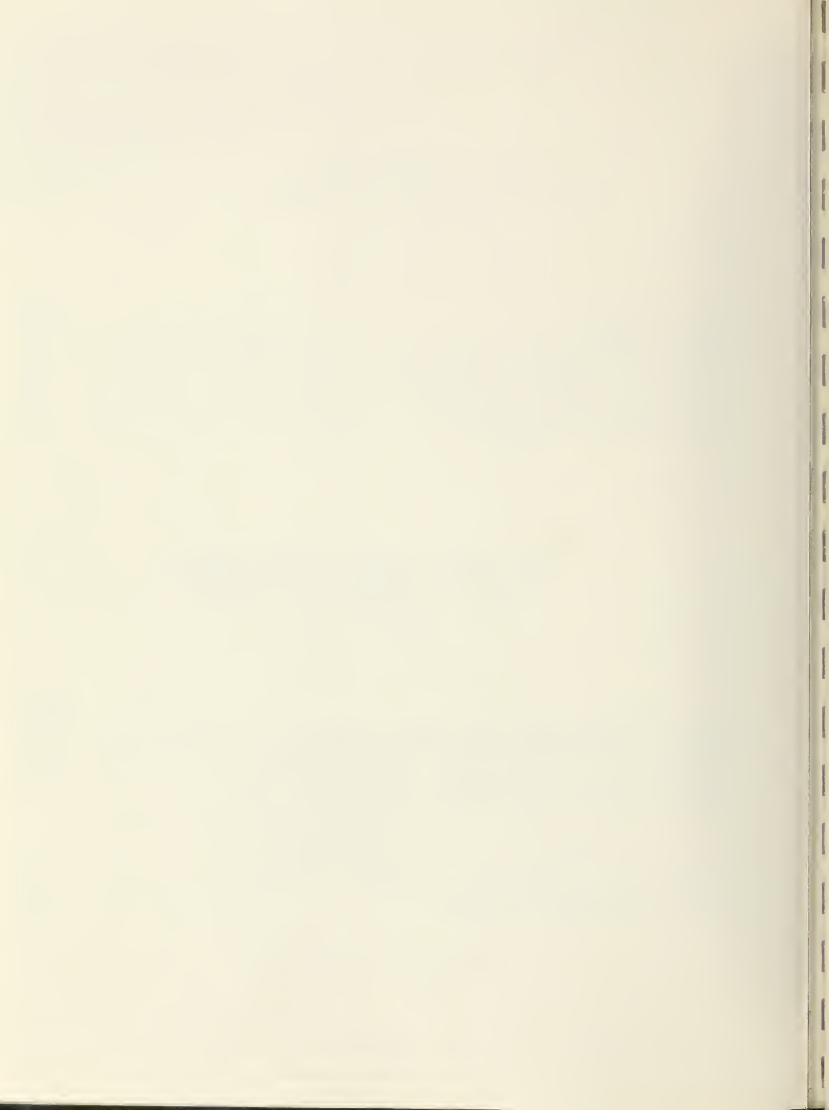
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FISCAL YEAR ENDED JUNE 30

	1974	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057	2058	2059	2060	2061	2062	2063	2064	2065	2066	2067	2068	2069	2070	2071	2072	2073	2074	2075	2076	2077	2078	2079	2080	2081	2082	2083	2084	2085	2086	2087	2088	2089	2090	2091	2092	2093	2094	2095	2096	2097	2098	2099	2100	2101	2102	2103	2104	2105	2106	2107	2108	2109	2110	2111	2112	2113	2114	2115	2116	2117	2118	2119	2120	2121	2122	2123	2124	2125	2126	2127	2128	2129	2130	2131	2132	2133	2134	2135	2136	2137	2138	2139	2140	2141	2142	2143	2144	2145	2146	2147	2148	2149	2150	2151	2152	2153	2154	2155	2156	2157	2158	2159	2160	2161	2162	2163	2164	2165	2166	2167	2168	2169	2170	2171	2172	2173	2174	2175	2176	2177	2178	2179	2180	2181	2182	2183	2184	2185	2186	2187	2188	2189	2190	2191	2192	2193	2194	2195	2196	2197	2198	2199	2200	2201	2202	2203	2204	2205	2206	2207	2208	2209	2210	2211	2212	2213	2214	2215	2216	2217	2218	2219	2220	2221	2222	2223	2224	2225	2226	2227	2228	2229	2230	2231	2232	2233	2234	2235	2236	2237	2238	2239	2240	2241	2242	2243	2244	2245	2246	2247	2248	2249	2250	2251	2252	2253	2254	2255	2256	2257	2258	2259	2260	2261	2262	2263	2264	2265	2266	2267	2268	2269	2270	2271	2272	2273	2274	2275	2276	2277	2278	2279	2280	2281	2282	2283	2284	2285	2286	2287	2288	2289	2290	2291	2292	2293	2294	2295	2296	2297	2298	2299	2300	2301	2302	2303	2304	2305	2306	2307	2308	2309	2310	2311	2312	2313	2314	2315	2316	2317	2318	2319	2320	2321	2322	2323	2324	2325	2326	2327	2328	2329	2330	2331	2332	2333	2334	2335	2336	2337	2338	2339	2340	2341	2342	2343	2344	2345	2346	2347	2348	2349	2350	2351	2352	2353	2354	2355	2356	2357	2358	2359	2360	2361	2362	2363	2364	2365	2366	2367	2368	2369	2370	2371	2372	2373	2374	2375	2376	2377	2378	2379	2380	2381	2382	2383	2384	2385	2386	2387	2388	2389	2390	2391	2392	2393	2394	2395	2396	2397	2398	2399	2400	2401	2402	2403	2404	2405	2406	2407	2408	2409	2410	2411	2412	2413	2414	2415	2416	2417	2418	2419	2420	2421	2422	2423	2424	2425	2426	2427	2428	2429	2430	2431	2432	2433	2434	2435	2436	2437	2438	2439	2440	2441	2442	2443	2444	2445	2446	2447	2448	2449	2450	2451	2452	2453	2454	2455	2456	2457	2458	2459	2460	2461	2462	2463	2464	2465	2466	2467	2468	2469	2470	2471	2472	2473	2474	2475	2476	2477	2478	2479	2480	2481	2482	2483	2484	2485	2486	2487	2488	2489	2490	2491	2492	2493	2494	2495	2496	2497	2498	2499	2500	2501	2502	2503	2504	2505	2506	2507	2508	2509	2510	2511	2512	2513	2514	2515	2516	2517	2518	2519	2520	2521	2522	2523	2524	2525	2526	2527	2528	2529	2530	2531	2532	2533	2534	2535	2536	2537	2538	2539	2540	2541	2542	2543	2544	2545	2546	2547	2548	2549	2550	2551	2552	2553	2554	2555	2556	2557	2558	2559	2560	2561	2562	2563	2564	2565	2566	2567	2568	2569	2570	2571	2572	2573	2574	2575	2576	2577	2578	2579	2580	2581	2582	2583	2584	2585	2586	2587	2588	2589	2590	2591	2592	2593	2594	2595	2596	2597	2598	2599	2600	2601	2602	2603	2604	2605	2606	2607	2608	2609	2610	2611	2612	2613	2614	2615	2616	2617	2618	2619	2620	2621	2622	2623	2624	2625	2626	2627	2628	2629	2630	2631	2632	2633	2634	2635	2636	2637	2638	2639	2640	2641	2642	2643	2644	2645	2646	2647	2648	2649	2650	2651	2652	2653	2654	2655	2656	2657	2658	2659	2660	2661	2662	2663	2664	2665	2666	2667	2668	2669	2670	2671	2672	2673	2674	2675	2676	2677	2678	2679	2680	2681	2682	2683	2684	2685	2686	2687	2688	2689	2690	2691	2692	2693	2694	2695	2696	2697	2698	2699	2700	2701	2702	2703	2704	2705	2706	2707	2708	2709	2710	2711	2712	2713	2714	2715	2716	2717	2718	2719	2720	2721	2722	2723	2724	2725	2726	2727	2728	2729	2730	2731	2732	2733	2734	2735	2736	2737	2738	2739	2740	2741	2742	2743	2744	2745	2746	2747	2748	2749	2750	2751	2752	2753	2754	2755	2756	2757	2758	2759	2760	2761	2762	2763	2764	2765	2766	2767	2768	2769	2770	2771	2772	2773	2774	2775	2776	2777	2778	2779	2780	2781	2782	2783	2784	2785	2786	2787	2788	2789	2790	2791	2792	2793	2794	2795	2796	2797	2798	2799	2800	2801	2802	2803	2804	2805	2806	2807	2808	2809	2810	2811	2812	2813	2814	2815	2816	2817	2818	2819	2820	2821	2822	2823	2824	2825	2826	2827	2828	2829	2830	2831	2832	2833	2834	2835	2836	2837	2838	2839	2840	2841	2842	2843	2844	2845	2846	2847	2848	2849	2850	2851	2852	2853	2854	2855	2856	2857	2858	2859	2860	2861	2862	2863	2864	2865	2866	2867	2868	2869	2870	2871	2872	2873	2874	2875	2876	2877	2878	2879	2880	2881	2882	2883	2884	2885	2886	2887	2888	2889	2890	2891	2892	2893	2894	2895	2896	2897	2898	2899	2900	2901	2902	2903	2904	2905	2906	2907	2908	2909	2910	2911	2912	2913	2914	2915	2916	2917	2918	2919	2920	2921	2922	2923	2924	2925	2926	2927	2928	2929	2930	2931	2932	2933	2934	2935	2936	2937	2938	2939	2940	2941	2942	2943	2944	2945	2946	2947	2948	2949	2950	2951	2952	2953	2954	2955	2956	2957	2958	2959	2960	2961	2962	2963	2964	2965	2966	2967	2968	2969	2970	2971	2972	2973	2974	2975	2976	2977	2978	2979	2980	2981	2982	2983	2984	2985	2986	2987	2988	2989	2990	2991	2992	2993	2994	2995	2996	2997	2998	2999	3000	3001	3002	3003	3004	3005	3006	3007	3008	3009	3010	3011	3012	3013	3014	3015	3016	3017	3018	3019	3020	3021	3022	3023	3024	3025	3026	3027	3028	3029	3030	3031	3032	3033	3034	3035	3036	3037	3038	3039	3040	3041	3042	3043	3044	3045	3046	3047	3048	3049	3050	3051	3052	3053	3054	3055	3056	3057	3058	3059	3060	3061	3062	3063	3064	3065	3066	3067	3068	3069	3070	3071	3072	3073	3074	3075	3076	3077	3078	3079	3080	3081	3082	3083	3084	3085	3086	3087	3088	3089	3090	3091	3092	3093	3094	3095	3096	3097	3098	3099	3100	3101	3102	3103	3104	3105	3106	3107	3108	3109	3110	3111	3112	3113	3114	3115	3116	3117	3118	3119	3120	3121	3122	3123	3124	3125	3126	3127	3128	3129	3130	3131	3132	3133	3134	3135	3136	3137	3138	3139	3140	3141	3142	3143	3144	3145	3146	3147	3148	3149	3150	3151	3152	3153	3154	3155	3156	3157	3158	3159	3160	3161	3162	3163	3164	3165	3166	3167	3168	3169	3170	3171	3172	3173	3174	3175	3176	3177	3178	3179	3180	3181	3182	3183	3184	3185	3186	3187	3188	3189	3190	3191	3192	3193	3194	3195	3196	3197	3198	3199	3200	3201	3202	3203	3204	3205	3206	3207	3208	3209	3210	3211	3212	3213	3214	3215	3216	3217	3218	3219	3220	3221	3222	3223	3224	3225	3226	3227	3228	3229	3230	3231	3232	3233	3234	3235	3236	3237	3238	3239	3240	3241	3242	3243	3244	3245	3246	3247	3248	3249	3250	3251	3252	3253	3254	3255	3256	3257	3258	3259	3260	3261	3262	3263	3264	3265	3266	3267	3268	3269	3270	3271	3272	3273	3274	3275	3276	3277	3278	3279	3280	3281	3282	3283	3284	3285	3286	3287	3288	3289	3290	3291	3292	3293	3294	3295	3296	3297	3298	3299	3300	3301	3302	3303	3304	3305	3306	3307	3308	3309	3310	3311	3312	3313	3314	3315	3316	3317	3318	3319	3320	3321	3322	3323	3324	3325	3326	3327	3328	3329	3330	3331	3332	3333	3334	3335	3336	3337	3338	3339	3340	3341	3342	3343	3344	3345	3346	3347	3348
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CITY AND COUNTY OF SAN FRANCISCO

STATEMENT OF EXPENDITURES

Fiscal Years 1964-65 to 1973-74

FISCAL YEAR ENDED JUNE 30

	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974
Departmental Expenditures:										
Public Safety	\$ 19,387,669	\$ 21,353,059	\$ 23,585,457	\$ 26,773,817	\$ 27,735,527	\$ 30,329,669	\$ 32,022,058	\$ 34,501,558	\$ 35,136,856	\$ 41,600,783
Police	37,607,963	38,432,866	41,682,634	43,609,284	50,015,795	55,419,593	60,031,258	69,109,369	69,059,799	77,417,075
Fire	4,984,128	5,686,634	5,931,921	6,317,372	5,483,347	5,881,590	6,530,412	6,738,608	7,795,925	7,590,816
Highways	5,582,102	6,128,122	6,403,483	6,903,828	7,266,127	7,497,620	8,227,442	9,061,908	10,237,260	10,704,816
Sanitation and Waste Removal	4,747,523	5,015,041	5,761,100	6,376,754	7,614,867	9,011,477	10,154,082	11,062,100	10,745,445	12,439,861
Conservation of Health	14,010,384	15,625,217	16,988,394	20,081,146	108,875,922	36,702,508	37,882,252	38,920,833	32,535,984	35,218,118
Hospitals	61,690,163	74,267,579	84,074,483	92,333,008	134,967,750	150,743,750	159,479,922	168,920,572	139,025,489	155,235,188
Public Welfare	14,177,874	15,435,115	16,493,115	18,377,668	19,418,800	20,479,730	21,529,922	22,580,572	23,631,124	24,681,676
Correction	64,193,550	66,822,448	72,935,115	80,727,187	94,917,739	108,463,796	118,165,753	127,946,258	182,072,358	182,041,096
Schools	2,164,271	2,331,332	2,530,368	2,707,187	2,968,678	3,115,498	3,318,753	3,534,711	3,567,481	3,765,331
Liquorities	10,412,020	11,061,155	11,953,544	12,834,004	14,101,167	14,374,386	16,665,583	17,028,525	18,490,694	19,570,698
Recreation										
Total Departmental Expenditures	228,777,926	251,202,396	275,869,227	304,097,178	348,338,225	410,583,025	451,227,813	489,729,807	501,547,758	517,989,420
Bond Redemptions	14,652,000	15,156,000	11,970,000	12,365,000	12,340,000	12,650,000	13,345,000	15,465,000	15,565,000	14,805,000
Bond Interest	2,617,496	2,526,055	2,470,511	2,379,869	2,675,374	3,076,401	3,873,077	5,596,246	5,510,043	5,674,255
Pensions and Comp.										
Health Service System	1,679,917	1,722,755	1,321,538	1,637,295	1,683,691	1,676,440	1,807,359	1,814,274	2,121,769	3,438,811
Contributions to Retirement System	14,566,478	13,717,098	15,865,840	15,599,540	17,357,338	30,588,991	45,276,131	44,553,021	41,454,287	40,658,239
Contribution to Federal Social Security	1,774,796	2,980,168	2,075,642	3,365,648	4,442,380	5,317,630	5,992,033	6,117,091	7,131,145	8,858,326
Judgments and Losses	216,219	314,894	140,408	155,229	124,703	534,014	196,103	355,504	599,127	1,411,462
Support of Public Service Enterprises:										
Port										
Municipal Railway	7,359,122	9,252,971	9,556,617	9,610,407	17,890,780	19,209,091	18,551,096	17,197,155	27,241,777	32,650,438
Capital Additions From Revenues	11,267,287	9,989,286	11,493,351	15,185,210	10,163,719	8,531,754	12,844,177	18,235,274	24,854,598	15,070,019
Transfers to Capital and Trust Funds	967,500	131,871	.....	812,888*	.....	.....	.....	.....	.....	.....
Civilian Defense	157,111	145,163	152,435	152,435	149,544	157,217	167,310	167,809	177,274	177,274
Miscellaneous, net	324,515	35,038	36,969	40,797	40,504	41,986	52,891	43,302	47,335	47,335
Total Expenditures	\$284,087,207	\$307,028,537	\$330,945,986	\$363,779,720	\$415,206,258	\$492,366,549	\$553,532,990	\$599,074,644	\$626,629,889	\$640,760,579

Expenditures of Special State & Federal Grants not included in above (fully reimbursable)

*Denotes Credit

Laguna Honda Hospital included in Hospital Expenditures

\$ 39,330,007

\$ 33,869,443

\$ 24,439,900

\$ 626,629,889

\$ 39,330,007

CITY AND COUNTY OF SAN FRANCISCO
WATER DEPARTMENT

STATEMENT OF OPERATIONS

Fiscal Years 1964-65 to 1973-74

FISCAL YEAR ENDED JUNE 30

	1965 (a)	1966 (a)	1967 (a)	1968(a)	1969(a)	1970 (a)	1971 (a)	1972 (a)	1973 (a)	1974 (a)
Water Sales	\$17,401,022	\$18,158,956	\$ 19,067,228	\$ 20,078,702	\$20,584,098	\$23,402,627	\$26,264,218	\$27,413,094	\$26,759,102	\$ 26,924,705
Operating Expenses:										
Provision for Depreciation	1,663,842	1,920,833	1,979,855	2,281,376	2,317,513	2,614,131	2,750,374	2,881,711	3,104,822	3,492,844
Other Operating Expenses	11,990,774	13,754,501	11,429,817	13,265,995	13,328,645	15,286,273	18,099,635	20,124,120	20,940,555	21,995,125
	13,654,616	15,675,334	13,409,672	15,547,371	15,646,158	17,900,404	20,850,009	23,005,831	24,045,377	25,487,969
Profit from Operations	3,746,406	2,483,622	5,657,556	4,531,331	4,937,940	5,502,223	5,414,209	4,407,263	2,713,725	1,436,736
Other Income	1,075,166	1,091,509	1,504,513	1,179,503	3,655,415	1,752,845	1,535,589	1,767,043	2,037,394	1,877,635
	4,821,572	3,575,131	7,162,069	5,710,834	8,593,355	7,255,068	6,949,798	6,174,306	4,751,119	3,314,371
Other Expenses:										
Interest on Bonded Debt	311,971	607,482	972,038	847,818	731,580	1,096,251	1,024,863	1,005,727	1,004,342	1,180,179
Other	75,172	70,302	70,198	101,488	76,367	98,909	75,757	202,409	157,376	389,629
	387,143	677,784	1,042,236	949,306	807,947	1,195,160	1,100,620	1,208,136	1,161,718	1,569,808
Net Income	\$ 4,434,429	\$ 2,897,347	\$ 6,119,833	\$ 4,761,528	\$ 7,785,508	\$ 6,059,908	\$ 5,849,178	\$ 4,966,170	\$ 3,589,401	\$ 1,744,561

(1) Continues omitted.

CITY AND COUNTY OF SAN FRANCISCO
HETCH HETCHY WATER SUPPLY AND POWER PROJECT

STATEMENT OF OPERATIONS

Fiscal Years 1964-65 to 1973-74

FISCAL YEAR ENDED JUNE 30

	1965 (a)	1966 (a)	1967 (a)	1968 (a)	1969 (a)	1970 (a)	1971 (a)	1972 (a)	1973 (a)	1974 (a)
Power Sales	\$10,789,731	\$11,314,664	\$ 11,182,682	\$ 12,856,531	\$ 13,240,264	\$ 14,162,668	\$14,981,938	\$14,501,597	\$14,635,098	\$ 14,104,677
Standby Charge and Sale of Water to the S. F. Water Dept.	4,500,000	5,800,000	2,500,000	3,500,000	2,500,000	2,500,000	4,500,000	5,000,000	5,500,000	6,000,000
Operating Expenses:	15,289,731	17,114,664	13,682,682	16,356,531	15,730,264	16,662,668	19,481,938	19,501,597	20,135,098	20,104,677
Provision for Depreciation	2,607,717	2,727,764	2,726,083	3,074,563	3,110,829	3,240,410	3,424,734	3,428,870	3,501,544	4,126,214
Other Operating Expenses	6,562,805	5,901,480	5,819,471	4,947,611	5,879,793	5,479,963	7,103,434	6,864,005	9,268,558	7,467,701
Profit from Operations	9,170,522	8,629,244	8,545,554	8,022,174	8,990,622	8,720,373	10,528,168	10,292,875	12,770,102	11,593,915
Other Income	6,119,209	8,485,420	5,137,128	8,394,357	6,739,642	7,942,295	8,953,770	9,208,722	7,364,996	8,510,762
Other Income	72,887	138,546	89,633	223,871	737,381	89,828	370,824	458,129	154,377	229,366
Other Expenses:	6,192,096	8,623,966	5,226,761	8,558,228	7,477,023	8,032,123	9,324,594	9,666,851	7,519,373	8,740,128
Interest on Bonded Debt	1,125,097	1,162,413	613,764	1,649,826	1,523,155	1,542,860	1,456,992	1,338,339	1,203,104	2,461,150
Other	2,568	524	2,475	5,160	13,216	899,315	1,303,750	1,002,082	1,000,091	1,462,974
Net Income	\$ 5,064,431	\$ 7,461,029	\$ 4,610,522	\$ 6,903,242	\$ 5,940,652	\$ 5,589,948	\$ 6,503,852	\$ 7,326,430	\$ 5,256,178	\$ 4,816,004

(a) Cents Omitted.

CITY AND COUNTY OF SAN FRANCISCO
MUNICIPAL RAILWAY

STATEMENT OF OPERATIONS

Fiscal Years 1964-65 to 1973-74

FISCAL YEAR ENDED JUNE 30

	1965 (a)	1966 (a)	1967 (a)	1968 (a)	1969 (a)	1970 (a)	1971 (a)	1972 (a)	1973 (a)	1974 (a)
Revenues	\$19,904,815	\$20,350,849	\$20,939,359	\$ 21,241,685	\$ 20,948,402	\$ 25,361,058	\$26,880,681	\$26,248,474	\$25,230,987	\$ 25,199,012
Operating Expenses:										
Depreciation	756,239	770,641	638,588	573,828	463,253	493,482	506,736	504,849	2,433,455	2,417,251
Other Operating Expenses	27,257,553	28,621,100		32,922,694	38,153,359	43,395,061	49,429,096	49,847,032	49,848,025	57,587,920
	28,013,792	29,391,741	30,843,007	33,496,522	38,616,612	43,888,543	49,935,832	50,251,881	52,281,480	60,005,171
Profit from Operations	8,108,977*	9,040,892*	9,903,648*	12,254,837*	17,668,210*	18,527,485*	23,055,151*	24,103,407*	27,050,493*	34,806,159*
Other Income & Interest	67,913	134,918	188,212	86,081	228,474	1,113,992	261,407	195,300	.....	1,342,232
	8,041,064*	8,905,974*	9,715,436*	12,168,756*	17,439,736*	17,413,493*	22,793,744*	25,908,107*	27,050,493*	33,463,927*
Other Expenses:										
Interest on Bonded Debt	320	.....	.....	.....	.....	.....	.....	.....	.....	.....
Other	1,555	.....	.....	.....	.....	.....	.....	.....	102,117	.....
	1,875	.....	.....	.....	.....	.....	.....	.....	102,117*	.....
Net Income	\$ 8,042,939*	\$ 8,905,974*	\$ 9,715,436*	\$ 12,168,756*	\$ 17,439,736*	\$ 17,413,493*	\$22,793,744*	\$25,908,107*	\$27,050,493*	\$33,463,927*

Financial Data
(a) Cash Equivalents

CITY AND COUNTY OF SAN FRANCISCO
AIRPORT

STATEMENT OF OPERATIONS

Fiscal Years 1964-65 to 1973-74

FISCAL YEAR ENDED JUNE 30

	1965	1966	1967	1968	1969	1970	1971	1972	1973	1974
Revenues:										
Landing Charges	\$2,025,232	\$ 2,369,216	\$ 2,590,448	\$ 3,051,465	\$ 3,392,905	\$ 3,597,615	\$ 4,892,551	\$ 5,749,330	\$ 5,939,851	\$ 8,522,135
Rentals	2,587,001	3,039,662	3,492,713	3,482,131	3,568,699	3,861,786	3,993,896	4,043,996	4,227,594	4,944,502
Concessions and Other	4,433,864	6,100,064	7,131,392	8,004,803	8,878,585	9,866,591	9,456,015	9,887,887	10,443,475	11,855,981
	9,045,897	11,508,942	13,214,553	14,538,399	15,840,189	17,125,992	18,342,462	19,681,213	20,610,920	25,322,618
Operating Expenses:										
Depreciation	2,013,916	2,027,607	2,510,663	2,668,240	2,592,377	4,078,937	4,128,729	4,421,484	4,389,095	3,901,027
Other Operating Expenses	3,495,612	3,958,002	4,347,227	4,520,777	5,410,348	6,198,772	6,964,243	7,348,631	8,939,750	10,996,019
	5,509,528	5,985,609	6,857,890	7,189,017	8,002,725	10,277,709	11,092,972	12,270,115	13,328,845	14,957,046
Profit from Operations	3,536,369	5,523,333	6,356,663	7,349,382	7,837,464	6,848,283	7,249,490	7,411,098	7,282,075	10,365,572
Other Income			893	152,621	38,761	18,651			37,897	314,647
	3,536,369	5,523,333	6,357,556	7,502,003	7,876,225	6,866,934	7,249,490	7,411,098	7,319,972	10,680,219
Interest on Bonded Debt	519,334	629,156	635,070	629,058	982,071	1,706,097	2,642,618	2,806,053	888,581	1,409,522
Other Expenses	524,654	636,063	635,070	629,058	982,071	1,706,097	2,642,618	2,806,053	2,499,996	1,909,480
Net Income	\$3,011,715	\$ 4,887,270	\$ 5,722,486	\$ 6,872,945	\$ 6,894,154	\$ 5,160,837	\$ 4,606,872	\$ 4,605,045	\$ 4,819,976	\$ 8,770,739

CITY AND COUNTY OF SAN FRANCISCO
ADDITIONS TO PROPERTY BY SOURCE OF FUNDS
FOR THE TEN YEAR PERIOD - JULY 1, 1964 TO JUNE 30, 1974

SOURCE OF FUND	Total	Land	Buildings Structures & Improvements
CURRENT FUNDS			
General Funds			
Capital Improvement	\$ 43,290,321.03	\$ 985,861.25	\$ 25,770,000.00
Off Street Parking	259,831.76		
The Fine Arts Museums	2,521,611.75	1,587,134.45	1,250,000.00
Library	515,121.25		
Publicity & Advertising	6,887,398.53	49,246.52	1,000,000.00
Marina Yacht Harbor	7,788.98		
Recreation & Park	255,823.25		3,700,000.00
Special Reserve - S.F.U.S.D.	4,122,515.84	974,945.40	1,000,000.00
S.F.U.S.D.	21,171,460.80	1,907,185.57	1,000,000.00
Children Centers	7,415,552.88	32,026.50	
Development Center For Handicapped Minors	143,482.63		
County School Service	108,264.86	15,250.00	
S.F.C.C.D. - Special Reserve	813.00		
S.F.C.C.D.	3,361,900.46	114,312.00	
Special Gas Tax Improvement	5,101,214.29	335,250.00	
Special Road Improvement	28,559,107.28	12,524,648.82	18,000,000.00
War Memorial	16,548,334.57	850,885.91	15,000,000.00
Light, Heat and Power	176,172.91		
Employees' Retirement System Current	9,819.63		
Health Service Current	15,947.45		
	3,435.48		
Total Current Fund	\$ 138,351,919.67	\$ 19,121,260.31	\$ 23,340,000.00
CAPITAL FUNDS			
Real Property - General City	3,104,519.99	2,402,855.06	701,664.93
Real Property - S.F.U.S.D.	193,499.41	14,358.75	131,812.32
1944 Sewers	368,863.47	60.00	308,863.47
1947 Street Improvement	189,405.12		189,405.12
1947 Recreation	95,502.25		95,502.25
1948 Sewage Treatment	98,974.21		98,974.21
1948 Schools	59,847.75		59,847.75
1952 Fire House	50,765.27		50,765.27
1954 Laguna Honda Home	8,221.90		8,221.90
1954 Sewers	2,728,167.34	186,823.79	2,541,343.55
1954 S.F. General Hospital	505,225.70		505,225.70
1954 Recreation	1,505,220.11		1,505,220.11
1955 Playground & Recreation Center	59,660.61		59,660.61
1956 Hall of Justice	774,893.34		774,893.34
1956 Schools	2,033,235.84		2,033,235.84
1958 Recreation	20,007.40		20,007.40
1959 Civic Auditorium	1,499,724.13		1,499,724.13
1959 Palace of Fine Arts	1,621,178.54		1,621,178.54
1960 de Young Museum	2,693,612.26		2,693,612.26
1960 Sewers	9,836,355.28		9,836,355.28
1964 Schools	30,182,558.90	143,685.20	29,998,873.70
1964 Los Gatos Ranch	1,327,501.30		1,327,501.30
1964 Street Lighting	5,068,869.82		5,068,869.82
1964 Fire House	5,930,610.49		5,930,610.49
1964 Sewerage & Sewage Disposal	11,921,223.48		11,921,223.48
1965 Medical Center	22,292,894.01	2,400.02	22,290,493.99
1968 Sewerage & Water Pollution Control	9,864,600.28		9,864,600.28
1968 Market St. Reconstruction & Improvement	5,505,146.49		5,505,146.49
1970 Water Pollution Control	6,989,793.05		6,989,793.05
1971 Fire Protection	1,131,245.15		1,131,245.15
1972 Street and Parkway Lighting	214,638.59		214,638.59
1972 Sewers	39,289.59		39,289.59
Total Capital Funds	\$ 119,842,499.59	\$ 2,215,032.69	\$ 120,000,000.00
TRUST FUNDS			
Neil V. O'Connell Bequest	494.63		
State Highway	6,945.84		
Retiremen System	5,661.78		
State County Fair	2,299.93		
Sharp Park Archery Range	5,497.65		
Walter S. Johnson Trust	2,223,270.66		
Health Service Trust	878.68		
Palace of Fine Arts	2,798,989.02		
Fuhrman Bequest	18,366.73		
Hiranda Lux Foundation - School	8,152.50		
Fund for Advancement of Education - School	589.07		
Anna Waden Trust	68,136.16		
Other Trusts	6,318,455.92		
Total Trust Funds	\$ 11,456,520.81	-	\$ 11,456,520.81
TOTAL SOURCE OF FUNDS	\$ 269,650,940.07	\$ 16,936,227.62	\$ 214,800,000.00

* Formerly Legion of Honor and de Young Museum
* Denotes Decrease

CITY AND COUNTY OF SAN FRANCISCO

ASSESSMENT ROLLS

Fiscal Years 1965-66 to 1974-75

	Land	Improvements	Tangible Personal Property	Veterans' Welfare and Other Exemptions	Total Assessed Value Subject To City & Co. Ad Valorem Rate	Solvent Credits Taxed @ 10¢ per \$100	Total Roll
1965-66 Unsecured - City and County Assessor.....	.....	.....	322,537,585	2,416,360	320,121,225	9.23	636,777,599
Secured - City and County Assessor.....	377,580,460	878,813,113	11,041,060	89,659,783	1,177,774,870	10.168	1,177,774,870
Secured - State Board of Equalization.....	15,989,160	109,944,470	64,681,760	.....	190,615,390	10.168	64,332,440
Total.....	\$393,569,640	\$988,757,583	\$398,260,405	\$92,076,143	\$1,688,511,485		\$701,110,039
1966-67 Unsecured - City and County Assessor.....	.....	.....	355,896,250	1,966,133	353,930,117	10.168	679,466,383
Secured - City and County Assessor.....	382,331,205	915,841,819	10,883,610	92,571,556	1,216,485,078	10.61	.....
Secured - State Board of Equalization.....	16,090,060	112,244,770	64,769,700	.....	193,104,530	10.61	70,333,620
Total.....	\$398,421,265	\$1,028,086,589	\$431,549,560	\$94,537,689	\$1,763,519,725		\$749,800,003
1967-68 Unsecured - City and County Assessor.....	4,444,224	8,585,941	178,683,666	1,234,496	190,479,335	10.61	759,768,906
Secured - City and County Assessor.....	731,985,682	1,082,690,820	70,336,596	95,225,932	1,789,787,166	8.80	.....
Secured - State Board of Equalization.....	19,602,610	105,948,680	61,708,850	.....	187,260,140	8.80	83,134,710
Total.....	\$756,032,516	\$1,197,225,441	\$310,729,112	\$96,460,428	\$2,167,526,641		\$842,903,616
1968-69 Unsecured - City and County Assessor.....	2,993,321	40,053,752	165,415,471	1,157,316	207,305,228	8.80	519,286
Secured - City and County Assessor.....	730,257,154	1,115,357,501	55,308,502	100,466,321	1,800,456,836	10.23	.....
Secured - State Board of Equalization.....	18,425,140	107,024,810	62,092,350	.....	187,542,300	10.23	.....
Total.....	\$751,675,615	\$1,262,436,063	\$282,816,323	\$101,623,637	\$2,195,304,364		\$519,286
1969-70 Unsecured - City and County Assessor.....	3,705,187	47,532,327	173,049,299	14,659,961	209,626,852	10.23	.....
Secured - City and County Assessor.....	738,247,682	1,151,815,505	50,813,142	162,500,391	1,778,375,938	12.29	.....
Secured - State Board of Equalization.....	18,798,150	111,043,860	61,441,170	.....	191,283,180	12.29	.....
Total.....	\$760,751,019	\$1,310,394,692	\$285,303,611	\$177,160,352	\$2,179,285,970		\$2,179,285,970
1970-71 Unsecured - City and County Assessor.....	4,250,294	52,913,391	188,988,069	31,055,283	215,096,471	12.29	.....
Secured - City and County Assessor.....	739,183,589	1,177,738,579	49,693,517	166,986,931	1,799,628,734	12.82	.....
Secured - State Board of Equalization.....	22,040,660	112,925,000	62,624,250	.....	197,589,940	12.82	.....
Total.....	\$765,474,543	\$1,343,577,000	\$301,305,836	\$198,042,214	\$2,212,315,165		\$2,212,315,165
1971-72 Unsecured - City and County Assessor.....	6,534,446	59,314,389	184,183,362	26,951,813	223,080,384	12.82	.....
Secured - City and County Assessor.....	754,525,080	1,212,739,281	45,758,787	179,208,360	1,833,814,788	12.73	.....
Secured - State Board of Equalization.....	22,113,050	117,989,690	61,072,140	.....	201,174,880	12.73	.....
Total.....	\$783,172,576	\$1,390,043,360	\$291,014,289	\$206,160,173	\$2,258,070,052		\$2,258,070,052
1972-73 Unsecured - City and County Assessor.....	6,187,891	58,429,025	199,799,419	29,785,753	234,630,582	12.73	.....
Secured - City and County Assessor.....	778,882,415	1,267,893,196	38,793,235	182,920,439	1,902,648,407	12.59	.....
Secured - State Board of Equalization.....	22,108,000	123,994,180	60,888,430	156	206,990,454	12.59	.....
Total.....	\$807,178,306	\$1,450,316,401	\$299,481,084	\$212,706,348	\$2,344,269,443		\$2,344,269,443
1973-74 Unsecured - City and County Assessor.....	6,886,709	60,683,150	211,918,599	44,764,168	234,724,290	12.59	.....
Secured - City and County Assessor.....	815,170,031	1,324,237,881	48,418,530	297,906,073	1,886,830,994	12.25	.....
Secured - State Board of Equalization.....	25,685,900	122,090,820	61,765,260	.....	209,541,980	12.25	.....
Total.....	\$843,742,640	\$1,507,011,851	\$322,102,389	\$341,769,616	\$2,331,087,264		\$2,331,087,264
1974-75 Unsecured - City and County Assessor.....	6,596,355	72,446,013	244,333,952	68,974,226	254,402,094	12.25	.....
Secured - City and County Assessor.....	815,191,550	1,376,156,339	38,741,190	297,906,073	1,932,183,006	12.75	.....
Secured - State Board of Equalization.....	24,953,970	121,578,910	64,806,570	.....	211,339,450	12.75	.....
Total.....	\$846,741,875	\$1,570,181,262	\$347,881,712	\$366,880,299	\$2,397,924,550		\$2,397,924,550

(1) Includes \$225,797,243 of Homemaker and Business Inventory Exemptions.
The amount of tax revenue lost due to these exemptions is reimbursed
by the State of California.

(1)

CITY AND COUNTY OF SAN FRANCISCO

DETAIL OF TAX RATES

Fiscal Years 1965-66 to 1974-75

	1965-66	1966-67	1967-68	1968-69	1969-70	1970-71	1971-72	1972-73	1973-74	1974-75
	\$1,329,611	\$1,397,850	\$7,207,38	\$7,719,69	\$7,863,98	\$1,102,930	\$2,300,75	\$-	\$-	\$-
General Fund - Charter Limit \$1.65										
General Fund - Other Necessary Expenditures Not Limited	3,434,510	3,511,469	3,131,554	3,225,448	3,575,444	4,157,511	5,244,853	5,170,080*	4,878,408*	4,486,071
Recreation and Park	533,017	510,719	433,667	472,620	528,329	571,177	598,179	560,000	592,068	589,931
Library	175,977	202,341	174,714	181,993	202,734	208,552	212,419	216,428	208,853	241,747
Fine Arts Museums of San Francisco ..	600,186	609,824	664,214	666,826	675,402	678,783	680,011	675,569	687,197	692,687
Employees' Retirement	791,113	793,601	699,597	761,022	1,391,142	1,439,085	1,056,586*	1,452,44*	1,550,80*	2,232,15*
Lighting of Public Streets and Buildings	122,648	115,628	697,465	697,091	698,570	1,009,73	653,163	659,361	667,395	667,023
Special Election	600,073									
War Memorial	625,737	666,787	631,185	636,630	635,180	625,964	628,678	625,928	631,465	634,621
Municipal Railway	551,329	520,391	440,116	858,609	892,687	845,309	736,448	977,912	929,672	1,657,320
Bay Area Sewage Services Agency	7,024,501	7,186,610	5,793,230	6,418,608	7,585,886	7,530,234	7,240,412	7,230,602	6,950,138	7,392,634
Bay Area Air Pollution Control District Assessment	611,565	610,978	609,827	610,839	611,554	612,814	621,672	618,010	620,372	619,581
Total for City and County of San Francisco	7,036,066	7,199,588	5,800,057	6,429,447	7,597,440	7,543,048	7,262,084	7,248,612	6,970,710	7,416,087
S. F. Unified School District	2,823,934	2,993,412	2,642,943	3,302,553	4,087,560	4,029,669	4,106,344	4,032,816	4,020,663	4,030,781
S. F. Community College District						682,283	657,572	657,572	649,627	742,182
S. F. Bay Area Rapid Transit District	308,000	417,000	354,000	498,000	605,000	565,000	704,000	651,000	669,000	581,000
Total Tax Rate	\$10.168	\$10.61	\$8.80	\$10.23	\$12.29	\$12.82	\$12.73	\$12.59	\$12.25	\$12.75

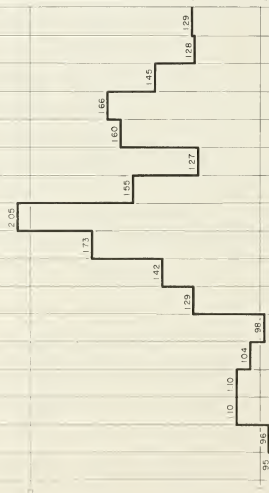
*Retirement contribution included in fund rate. This rate includes only workman compensation requirements of the General Fund and other requirements which may not be chargeable to any specific fund.

CITY AND COUNTY OF SAN FRANCISCO

PERCENTAGES OF TAX DELINQUENCY

FOR FISCAL YEARS ENDING JUNE 30,

1955 1956 1957 1958 1959 1960 1961 1962 1963 1964 1965 1966 1967 1968 1969 1970 1971 1972 1973 1974

CITY AND COUNTY OF SAN FRANCISCO
AMOUNTS OF TAX LEVIES AND DELINQUENCIES
FISCAL YEARS 1946-47 TO 1973-74

FISCAL YEAR	AMOUNT OF LEVY	UNCOLLECTED AT JUNE 30, 1974	UNCOLLECTED AT JUNE 30, 1973
1946-47	\$ 47,374,328	\$ 457,779	\$ 46,760
1947-48	51,718,354	602,680	87,497
1948-49	60,779,270	669,631	98,032
1949-50	60,858,563	567,617	78,342
1950-51	66,522,057	537,393	61,645
1951-52	70,596,215	561,703	89,882
1952-53	69,947,162	539,325	77,611
1953-54	76,082,542	716,632	84,269
1954-55	84,509,028	724,612	95,459
1955-56	89,391,123	799,165	119,062
1956-57	93,280,375	882,671	95,036
1957-58	99,165,664	942,150	94,516
1958-59	103,591,182	992,948	123,324
1959-60	111,875,051	1,232,046	122,265
1960-61	121,671,012	1,313,620	134,628
1961-62	124,811,125	1,294,666	164,087
1962-63	141,781,663	1,387,550	162,578
1963-64	142,551,147	1,842,177	266,315
1964-65	151,292,591	2,142,509	238,028
1965-66	170,255,714	2,949,719	485,161
1966-67	195,991,344	4,010,095	788,130
1967-68	196,164,232	3,037,020	254,081
1968-69	222,209,593	2,831,440	411,313
1969-70	263,133,293	4,201,395	850,801
1970-71	281,166,821	4,665,084	1,031,476
1971-72	287,089,538	4,164,120	1,397,788
1972-73	296,343,663	3,804,631	1,941,485
1973-74	285,992,503	3,680,938	3,680,938

CITY AND COUNTY OF SAN FRANCISCO

TAX YIELD

FISCAL YEAR 1974-1975

	<u>VALUATION</u>	<u>TAX YIELD</u>	<u>RATE PER \$100</u>
Taxes on Property Assessed by City and County:			
Real Estate, Improvements, and Secured			
Personal Property:			
Real Estate and Improvements	\$2,191,347,889		
Personal Property	<u>38,741,190</u>		
	2,230,089,079		
Less Exemptions	<u>297,906,073</u>		
Total	<u>1,932,183,006</u>	\$246,352,066.52	\$12.79
Unsecured Property:			
Real Estate and Improvements	79,042,368		
Personal Property	<u>244,333,952</u>		
	323,376,320		
Less Exemptions	<u>68,974,226</u>		
Total	<u>254,402,094</u>	31,220,820.60	12.25
Total Assessed by City and County Assessor	<u>2,186,585,100</u>		
Taxes on Property Assessed by			
State Board of Equalization:			
Real Estate and Improvements	146,532,880		
Personal Property	64,806,570		
Less Exemptions	<u>- 0 -</u>		
Total Assessed by State Board			
of Equalization	<u>211,339,450</u>	\$ 26,945,779.68	\$12.75
Total of Above Assessments	<u>\$2,397,924,550</u>		
Total Tax Yield		<u>\$304,518,666.80</u>	

PERCENTAGES OF TAX DELINQUENCY



N. B. COOPER, CONTROLLER

CITY AND COUNTY OF SAN FRANCISCO AMOUNTS OF TAX LEVIES AND DELINQUENCIES FISCAL YEARS 1946-47 to 1973-74

FISCAL YEAR	AMOUNT OF LEVY	UNCOLLECTED AT JUNE 30, 1946	UNCOLLECTED AT JUNE 30, 1974
	AMOUNT	%	%
1946-47	\$ 47,374,328	1.17	1.10
1947-48	51,718,354	1.17	1.17
1948-49	60,779,270	1.10	1.16
1949-50	60,858,563	1.10	1.13
1950-51	66,522,057	1.10	1.09
1951-52	70,594,215	1.10	1.10
1952-53	69,947,162	1.10	1.11
1953-54	76,082,542	1.10	1.11
1954-55	84,509,028	1.10	1.11
1955-56	89,394,123	1.10	1.11
1956-57	93,280,375	1.10	1.10
1957-58	99,165,664	1.10	1.10
1958-59	103,591,102	1.10	1.11
1959-60	111,875,051	1.10	1.11
1960-61	121,671,012	1.10	1.11
1961-62	124,811,125	1.10	1.11
1962-63	141,781,663	1.10	1.11
1963-64	142,253,147	1.10	1.11
1964-65	151,292,591	1.10	1.11
1965-66	170,255,714	1.10	1.11
1966-67	195,991,344	1.10	1.11
1967-68	196,164,232	1.10	1.11
1968-69	222,209,593	1.10	1.11
1969-70	263,133,293	1.10	1.11
1970-71	281,166,821	1.10	1.11
1971-72	287,089,538	1.10	1.11
1972-73	296,343,663	1.10	1.11
1973-74	285,992,503	1.10	1.11

CITY AND COUNTY OF SAN FRANCISCO

TAX YIELD

FISCAL YEAR 1974-1975

	<u>VALUATION</u>	<u>TAX YIELD</u>	<u>RATE PER \$100</u>
Taxes on Property Assessed by City and County:			
Real Estate, Improvements, and Secured			
Personal Property:			
Real Estate and Improvements	\$2,191,347,889		
Personal Property	<u>38,741,190</u>		
	2,230,089,079		
Less Exemptions	<u>297,906,073</u>		
Total	<u>1,932,183,006</u>	\$246,352,066.52	\$12.75
Unsecured Property:			
Real Estate and Improvements	79,042,368		
Personal Property	<u>244,333,952</u>		
	323,376,320		
Less Exemptions	<u>68,974,226</u>		
Total	<u>254,402,094</u>	31,220,820.60	12.25
Total Assessed by City and County Assessor	<u>2,186,585,100</u>		
Taxes on Property Assessed by			
State Board of Equalization:			
Real Estate and Improvements	146,532,880		
Personal Property	64,806,570		
Less Exemptions	<u>- 0 -</u>		
Total Assessed by State Board			
of Equalization	<u>211,339,450</u>	\$ 26,945,779.68	\$12.75
Total of Above Assessments	<u>\$2,397,924,550</u>		
Total Tax Yield		<u>\$304,518,666.80</u>	

STATEMENT OF BONDING CAPACITY OF SAN FRANCISCO
AS AT JUNE 30, 1974

(Excluding Bonding Capacity of the S.F. Unified School District
and the S.F. Community College District (1))

Maximum Limit:

12% of the 1974-75 Assessment Roll (\$2,623,721,793) \$314,846,615

Bonded Debt Limit June 30, 1974:

Total	\$415,530,000	
Exempt from 12% Limit		
Exemption per Note No. 2	\$301,165,000	
Community College Revenue		
Bonds	535,000	301,700,000
Limit of Future Bond Sales (Subject to 12% Limit)		<u>113,830,000</u>
		<u>\$201,016,615</u>

Unissued Bonds June 30, 1974:

	<u>Subject to 12% Limit</u>	<u>Exempt from 12% Limit</u>	<u>Total</u>
1964 Street Lighting	\$ 645,000		
1964 Sewerage & Sewage Disposal		\$ 2,128,000	
1968 Market Street Reconstruction	8,025,000		
1968 Sewerage & Water Pollution Control		3,755,000	
1970 Water Pollution Control		49,800,000	
1971 Fire Protection	2,341,000		
1971 Harbor Improvement		14,000,000	
1972 Street and Parkway Lighting	4,550,000		
1972 Sewer System		23,000,000	
1972 Water System		34,000,000	
1973 Public School Building Improvement	20,826,000		
	<u>\$36,387,000</u>	<u>\$126,683,000</u>	<u>\$163,070,000</u>

- (1) The City and County of San Francisco is a municipal corporation known by name as San Francisco. It performs all functions of a City and County.

The San Francisco Unified School District and the San Francisco Community College District are the only school districts in San Francisco with geographic boundaries coterminous with the boundaries of San Francisco.

The Education Code of the State of California, Section 21702 provides that the total amount of bonds issued shall not exceed 5 percent of the taxable property of the district as shown by the last equalized assessment roll, which percentage would then be 10% for the San Francisco Unified School District which comprises the elementary and high school districts, and 5 percent for the San Francisco Community College District. To date the School Districts have issued \$350,000 in revenue bonds.

STATEMENT OF BONDING CAPACITY OF SAN FRANCISCO
AS AT JUNE 30, 1974 (Continued)

All other items herein designated "School Bonds" are general obligation bonds of the City and County of San Francisco for school purposes.

- (2) Section 6.401 of the Charter provides that the bonded debt shall not exceed 12% of the assessed value of all real and personal property in the City and County, subject to the City and County taxes, exclusive of bonds issued for the following purposes:
- (a) For water supply, storage or distribution purposes.
 - (b) For financing public improvements pursuant to Section 7.302 of the Charter, the cost of which is to be assessed against private property benefited thereby. (None Issued)
 - (c) The acquisition, construction, or completion of air transport facilities.
 - (d) Sewers and sewerage collection, disposal and treatment and water pollution control, provided however that any bonded indebtedness for sewers, and sewerage collection, disposal and treatment, and for water pollution control, must be financed by sewerage service charges for the foregoing exclusion to be applicable. Ordinance No. 212-71 of the City and County of San Francisco has enacted a sewer service charge to become operative on and after September 1, 1971.
 - (e) For the acquisition, construction, improvement and development of the harbor of San Francisco.
 - (f) For the construction, completion or acquisition of foreign trade zones.

**ANNUAL BOND INTEREST AND REDEMPTION REQUIREMENTS
BASED ON BONDED INDEBTEDNESS AT JUNE 30, 1974**

**General City Including
S..P. Unified School District**

Public Service Enterprises

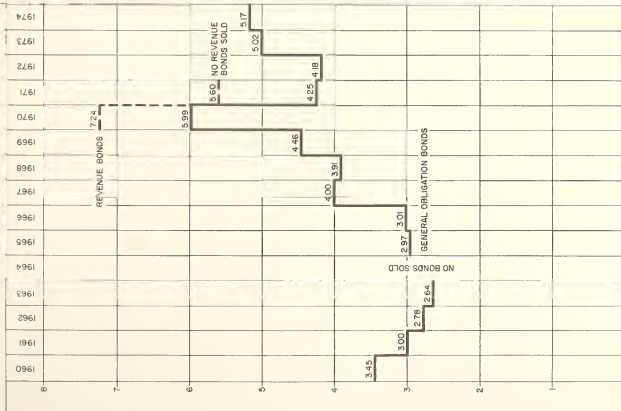
FISCAL YEAR	GRAND TOTALS	TOTAL	BOND REDEMPTION	BOND INTEREST	TOTAL	BOND REDEMPTION	BOND INTEREST
1974-75	\$ 52,204,390	\$ 20,212,866	\$ 14,065,000	\$ 6,147,866	\$ 31,991,524	\$ 20,069,000	\$ 11,922,524
1975-76	50,139,940	19,106,336	13,560,000	5,546,336	31,033,604	19,934,000	11,099,604
1976-77	47,578,513	18,124,469	13,135,000	4,989,469	29,454,044	19,184,000	10,290,044
1977-78	44,700,963	16,316,398	11,855,000	4,461,398	26,384,565	18,869,000	9,515,999
1978-79	41,614,164	15,522,165	11,560,000	3,962,165	26,091,999	17,339,000	8,752,999
1979-80	40,138,468	15,019,655	11,550,000	3,469,655	25,118,813	17,114,000	8,004,813
1980-81	38,037,037	13,890,025	10,905,000	2,985,025	24,147,012	16,849,000	7,298,012
1981-82	35,722,544	13,040,335	10,530,000	2,510,335	22,682,209	16,079,000	6,603,209
1982-83	33,564,890	11,868,970	9,820,000	2,048,970	21,695,920	15,789,000	5,906,920
1983-84	29,800,808	10,206,575	8,610,000	1,596,575	19,594,233	14,379,000	5,215,233
1984-85	26,561,328	8,784,035	7,595,000	1,189,035	17,777,293	13,193,000	4,584,293
1985-86	21,929,074	7,097,510	6,275,000	822,510	14,831,564	10,837,000	3,994,564
1986-87	17,564,232	3,560,930	3,030,000	530,930	14,003,302	10,455,000	3,548,302
1987-88	15,138,156	2,410,490	2,020,000	390,490	12,727,666	9,600,000	3,127,666
1988-89	10,904,357	1,350,450	1,060,000	290,450	9,553,907	6,800,000	2,753,907
1989-90	10,160,155	1,096,600	860,000	236,600	9,063,555	6,615,000	2,448,555
1990-91	9,352,957	1,052,100	860,000	192,100	8,300,857	6,135,000	2,165,857
1991-92	8,278,535	1,007,175	860,000	147,175	7,271,360	5,365,000	1,906,360
1992-93	6,397,953	962,250	860,000	102,250	5,435,703	3,770,000	1,665,703
1993-94	6,100,587	916,900	860,000	56,900	5,183,667	3,700,000	1,483,667
1994-95	3,174,659	21,550	10,000	11,550	3,153,109	1,845,000	1,308,109
1995-96	2,721,886	21,250	10,000	11,250	2,700,636	1,470,000	1,230,636
1996-97	2,643,900	20,950	10,000	10,950	2,622,950	1,460,000	1,162,950
1997-98	2,202,475	20,650	10,000	10,650	2,181,825	1,085,000	1,096,825
1998-99	2,148,775	20,350	10,000	10,350	2,128,425	1,085,000	1,043,425
1999-00	9,334,975	20,050	10,000	10,050	9,314,925	8,600,000	714,925
2000-01	1,222,875	24,750	15,000	9,750	1,198,125	8,800,000	398,125
2001-02	6,316,363	24,300	15,000	9,300	6,292,063	6,075,000	217,063
2002-03							
2018-19	\$ 1,216,050	\$ 380,050	\$ 295,000	\$ 85,050	\$ 836,000	\$ 800,000	\$ 36,000
	<u>\$576,870,989</u>	<u>\$182,100,134</u>	<u>\$140,255,000</u>	<u>\$41,845,134</u>	<u>\$394,770,855</u>	<u>\$275,275,000</u>	<u>\$119,495,855</u>

Unsold Bonds at June 30, 1974 in the amount of \$163,070,000 are not included.

CITY AND COUNTY OF SAN FRANCISCO

AVERAGE NET INTEREST COST

ON BONDS SOLD DURING FISCAL YEARS ENDING JUNE 30,

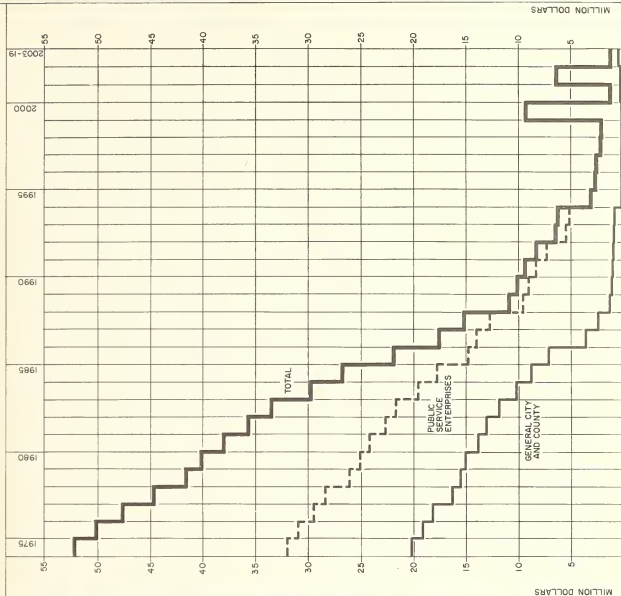


N. B. COOPER, CONTROLLER

CITY AND COUNTY OF SAN FRANCISCO

BOND INTEREST AND REDEMPTION

REQUIREMENTS FOR FISCAL YEARS ENDING JUNE 30,



N. B. COOPER, CONTROLLER

CITY AND COUNTY OF SAN FRANCISCO
BOND INTEREST AND REDEMPTION
FUNDING STATEMENT

Fiscal Year 1967-1968

	1964	1967	1968	1969	1970	1971	1972	1973	1974	1975
SOURCE OF REVENUES										
General City Fund										
Taxes	\$ 930,210	\$ 1,015,000	\$	\$	\$	\$	\$	\$	\$	\$
Capital Improvement Fund	17,984,000	14,837,225	15,219,869	15,159,312	16,662,199	17,764,604	17,606,130	18,342,220	18,506,910	14,640,440
Bond Interest Fund	.....	.....	.....	.....	.....	.....	4,700,000	6,437,084	5,800,000	5,626,410
Surplus	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Total	18,294,210	15,152,225	15,219,869	15,159,312	16,662,199	17,764,604	21,900,130	21,879,605	21,306,910	20,267,450
PUBLIC SERVICE ENTERPRISES										
Utility Companies										
Water and Hatch Hatchy Project	10,299,595	10,839,042	12,171,149	13,692,535	13,693,513	12,722,311	12,431,975	11,576,115	11,888,663	13,784,888
Municipal Railway	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Airport	3,246,519	2,696,175	3,196,500	4,635,825	6,547,138	8,232,625	9,041,650	8,475,400	11,371,600	11,320,255
Harbor	.....	.....	.....	.....	3,912,917	3,830,491	4,957,149	5,582,400	6,764,950	7,089,141
Capital Improvement Fund (via Utility)	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Taxes (via Utility)	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Total	13,546,114	13,535,217	15,367,649	18,328,360	24,153,568	24,785,427	26,430,774	26,035,935	32,025,203	32,200,264
Total Budgeted Requirements	\$31,840,324	\$28,687,442	\$30,587,518	\$33,487,672	\$40,815,767	\$42,550,031	\$48,330,924	\$47,913,540	\$53,421,806	\$52,437,514

Office of the Controller

**REPORT ON EXAMINATION
FOR THE FISCAL YEAR ENDED**

JUNE 30, 1974

MAIN LAURENTZ & Co.

CERTIFIED PUBLIC ACCOUNTANTS

OFFICES OF ACCOUNTANTS FIRM
— IN ALL AMERICAS, SOUTH AMERICA
— SPECIALIZING IN TAXES, FINANCE, ETC.
— AUSTRALIA, AFRICA

ONE CALIFORNIA STREET
SAN FRANCISCO 94111
415-981-2156

The Honorable Board of Supervisors
City and County of San Francisco

In accordance with Resolution No. 579-24 of the Board of Supervisors (augmented by a supplemental contract authorized by the Controller, on which we reported separately on December 31, 1974) we have examined the financial statements identified as Exhibits A, B and C on the preceding table of contents of the City and County of San Francisco for the year ended June 30, 1974.

Our examination, which included the accounts, records and transactions of the office of the Controller and other departments selected by us after a review of the examinations by the General Audits Division, was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. Included among funds reported by the Controller are those pertaining to the San Francisco Unified School District, the San Francisco Community College District, and the Employees' Retirement System which were or are being audited by other certified public accountants. Our examination of such funds was limited to the Controller's accountability for them. As prescribed by Section 3.303 of the City Charter, the audit of the Office of the Treasurer was made by the Controller's General Audits Division whose report thereon has been furnished to us and our opinion expressed herein, insofar as it relates to the amounts included for the Treasurer, is based solely on the report of the General Audits Division.

We continued to find the internal control over traffic citations of the Municipal Courts and the billing and cost accounting system at the San Francisco General Hospital to be inadequate. It was not possible to make meaningful tests of revenues under the existing systems. New systems are being installed to remedy these internal control inadequacies.

Independent examination of the Employees' Retirement System by other certified public accountants, for the year ended June 30, 1974 was not complete as of the date of this report. Completion of this examination could result in adjustments of financial statements and accounts pertaining thereto.

Examinations by Federal and State government auditors of various reimbursement claims of the Social Services Department, and covering various periods through June 30, 1974, were not complete as of the date of this report as described in the footnote relating to Contingent Liabilities. We have been unable to verify any of the contents of that footnote except the amount of \$412,841 presently reserved. The unverified data indicates the possibility of claims against the City and County of \$1,330,015. The ultimate amount of claims is indeterminate until the audits are completed and the findings accepted, the effect of which would be to reduce the unappropriated surplus of the General Fund.

In our opinion, subject to the limitations described in the three preceding paragraphs, and based upon our examination and the report of the General Audits Division, such financial statements present fairly the financial position of the City and County of San Francisco (exclusive of Public Service Enterprises) at June 30, 1974, revenues and expenditures of current funds and changes in the unappropriated balances of current funds for the year then ended in conformity with generally accepted accounting principles, except as indicated in the footnote on accounting practices with respect to property, plant and equipment and revenues and expenditures arising from Federal and State grants, applied on a basis consistent with that of the preceding year.

Hein Lufantz & Co.

CERTIFIED PUBLIC ACCOUNTANTS

San Francisco, California
February 7, 1975

CITY AND COUNTY OF SAN FRANCISCO,
SACRAMENTO COUNTY JAIL INSTITUTE
AND SAN FRANCISCO COUNTY JAIL INSTITUTE
COMBINED GENERAL CITY AND COUNTY FUND BALANCE SHEET
(EXCLUSIVE OF PUBLIC SERVICE ENTERPRISES)

JUNE 30, 1974

ASSETS

	Total
Plant, Property and Equipment (Exhibit B)	\$ 834,669,315
Due to Head Office	237,445,626
Due to Head - In Transit	50,000
Revolving Funds	175,135
Due to Other Funds	127,806,222
Accounts Receivable	3,680,938
Taxes Receivable, current year	9,775,759
Taxes Receivable, prior years	923,438
Penalties, Costs and Interest	40,000
Prepaid Taxes	46,981
Prepaid Rates Subventions	64,449,293
Other Accounts Receivable	119,625,081
Less Reserves	136,221,463
Unpaid Delinquent Taxes	7,507,251
Unpaid Delinquent Rates	24,760,089
Other Accounts Receivable	
Total Accounts Receivable, net	87,386,751
Unpaid Bonds	93,954,303
Investments	112,070,000
Interfund Accounts Receivable	600,467,088
Due from General City and County	297,770,669
Due from Public Service Enterprises	26,239,579
Total Interfund	323,970,248
Accounts Receivable	285,947,060
Lease Deposits and Guarantees	177,640
Deferred Charges	
Materials and Supplies for Accounts Receivable	1,691,779
Payment of Bond Principal	140,255,000
Accounts to be Provided for	
Loan Repayments	2,278,080
Other Deferred Charges	2,972,111
Total Deferred Charges	147,196,970

\$2,323,176,375

\$25,175,438

\$1,172,605,099

\$652,395,838

These financial statements and accompanying notes are subject to the accountants' report.

LIABILITIES

	Total	Current	Capital	Trust and
Bonded Debt (Exhibit B)	\$ 19,901,000		\$ 19,901,000	
Due to General City and County				
Maturing Subsequent to June 30, 1975	120,255,000		120,255,000	
Total Bonded Debt	140,255,000		140,255,000	
Loan, Accounts Payable and Other	2,278,080	\$ 2,278,080		
Guarantees	58,420	58,420		
Accounts Payable	41,982,774	28,259,168	365,526	\$ 13,358,080
Outstanding Warrants	53,306,652	47,387,103	5,825,274	94,277
Encumbrances				
Total Payables and Commitments	97,625,926	77,982,769	6,190,800	13,452,352
Interfund Accounts Payable	292,812,778	240,128,219	51,673,849	1,010,710
Due to General City and County				
Due to Public Service Enterprises	1,467,789	1,467,789		
Total Interfund Accounts Payable	294,280,567	241,596,008	51,673,849	1,010,710
Deferred Credits				
Personal Property Taxes Collected for Year 1974-75	3,103,219	3,103,219		
Subsequent to June 30, 1975	22,074,345	22,074,345		
Unencumbered Interdepartmental Work Order Authorizations	15,192,508	15,192,508		
Other Deferred Credits	24,313,322	23,551,297		
Total Deferred Credits	64,683,394	63,921,569		
Reserves				
Reserve for Materials and Supplies	1,691,779	1,691,779		
Reserve for Interdepartmental Overhead	1,051,636	1,051,636		
Other	3,752,491	3,752,491		
Total Reserves	10,107,506	6,022,216		
Unencumbered Appropriations	165,537,512	24,335,200	111,202,312	
Investment in Plant, Property and Equipment	834,669,315		834,669,315	
Trust and Assessment Fund Balances Unappropriated	132,931,501		31,613,823	
Total	\$2,323,176,375	\$25,175,438	\$1,172,605,099	\$652,395,838

\$2,323,176,375

\$25,175,438

\$1,172,605,099

\$652,395,838

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO UNIFIED SCHOOL DISTRICT
AND SAN FRANCISCO COMMUNITY COLLEGE DISTRICT

COMPARATIVE STATEMENT OF CURRENT FUNDS,
REVENUES AND EXPENDITURES

(EXCLUSIVE OF PUBLIC SERVICE ENTERPRISES)

YEAR ENDED JUNE 30, 1974 AND 1973

	<u>1974</u>	<u>1973</u>
Revenues		
Property Taxes, Penalties, Interest and Costs	\$269,278,248	\$279,215,188
Federal and State Subventions	193,254,272	195,581,651
Retail Sales and Purchase Use Tax	28,403,560	25,856,466
Departmental Service Charges, etc.	54,613,764	63,355,197
Employer's Payroll Tax	23,441,753	20,338,021
Fines, Forfeitures and Penalties other than from Property Taxes	9,555,509	9,772,936
Bank Interest	21,188,429	13,658,134
Utility User's Tax	10,136,293	9,077,230
Licenses	1,575,410	1,524,320
Hotel Room Tax	6,923,225	5,712,018
Business Tax	4,302,418	3,929,874
Parking Tax	2,806,518	2,728,086
Rentals from Use of Property	1,031,472	1,032,978
Franchise Taxes	881,275	789,906
Property Transfer Tax	711,610	710,894
Federal Revenue Sharing, including Interest	20,765,944	28,150,502
Revenue from Other Sources	<u>1,681,952</u>	<u>1,752,719</u>
Total Revenues	<u>650,551,652</u>	<u>663,186,120</u>
Operating Expenditures		
Departmental Operating Expenses		
General Government	41,600,783	35,136,856
Public Safety	77,417,075	69,059,799
Highways	7,590,867	7,795,925
Sanitation	10,704,816	10,237,260
Health Conservation	12,439,861	10,745,445
Hospitals	55,218,118	52,532,905
Social Services	139,038,650	157,509,189
Corrections	8,602,125	8,079,846
Schools	142,041,096	128,192,358
Libraries	3,765,331	3,567,481
Recreation	19,570,698	18,490,694
Civil Defense	177,274	171,283
Miscellaneous	<u>1,458,797</u>	<u>642,429</u>
	<u>\$519,625,491</u>	<u>\$502,161,470</u>

These financial statements and accompanying notes
are subject to the accountants' report.

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO UNIFIED SCHOOL DISTRICT
AND SAN FRANCISCO COMMUNITY COLLEGE DISTRICT

COMPARATIVE STATEMENT OF CURRENT FUNDS,
REVENUE AND EXPENDITURES

(EXCLUSIVE OF PUBLIC SERVICE ENTERPRISES)

YEARS ENDED JUNE 30, 1974 AND 1973

	<u>1974</u>	<u>1973</u>
Excess of Current Revenues over Operating Expenditures	\$ <u>130,926,161</u>	\$ <u>161,024,650</u>
Other Expenditures		
Transfers to Capital Accounts		
Capital Additions from Revenue	15,070,019	25,026,625
Less Transfers from Capital Funds	<u> </u>	<u>172,227</u>
Net Capital Additions from Revenues	15,070,019	24,854,398
Bond Redemption	14,805,000	15,565,000
Bond Interest	5,674,255	5,516,043
Pension Costs, Employees' Retirement System	40,658,239	41,454,287
Contributions to Municipal Railway, Tax Support	21,854,557	22,333,792
Contributions to Municipal Railway, Revenue Sharing	10,775,881	4,907,985
Contributions to Federal Social Security	8,858,326	7,131,145
Contributions to Health Service System	3,438,811	2,121,769
Contributions to Port of San Francisco, Revenue Sharing	<u> </u>	<u>584,000</u>
	<u>121,135,088</u>	<u>124,468,419</u>
Excess of Revenues over Expenditures	\$ <u>9,791,073</u>	\$ <u>36,556,231</u>

These financial statements and accompanying notes
are subject to the accountants' report.

CITY AND COUNTY OF SAN FRANCISCO
 SAN FRANCISCO UNIFIED SCHOOL DISTRICT
 AND SAN FRANCISCO COMMUNITY COLLEGE DISTRICT

STATEMENT OF UNAPPROPRIATED BALANCE OF CURRENT FUNDS
 (EXCLUSIVE OF PUBLIC SERVICE ENTERPRISES)

YEAR ENDED JUNE 30, 1974

Unappropriated Balance of Funds, June 30, 1973		
Available		\$ 61,672,033
Cash Reserve		<u>28,762,347</u>
		90,434,380
Add		
Excess of Revenues over Expenditures (Exhibit B)	\$ 9,791,073	
Repayment by Airport of Contributions (Note)	2,000,000	
Net Increase in Interfund Budgetary Balances	2,438,375	
Miscellaneous Adjustments	1,989,732	
Net Transfers from Miscellaneous Reserves	<u>1,277,641</u>	<u>17,496,821</u>
		107,931,201
Deduct		
Increase in Interdepartmental Work Order Authorizations	4,882,863	
Net Decreases in Interdepartmental Unencumbered Appropriations	2,765,633	
Net Increase in Reserve for Encumbrances	6,320,406	
Increase in Unencumbered Balance of Appropriations	<u>12,644,621</u>	<u>26,613,523</u>
Unappropriated Balance of Funds, June 30, 1974		
Available	54,096,100	
Cash Reserve	<u>27,221,578</u>	
Total		\$ <u>81,317,678</u>

These financial statements and accompanying notes
 are subject to the accountants' report.

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO UNIFIED SCHOOL DISTRICT
AND SAN FRANCISCO COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS
(EXCLUSIVE OF PUBLIC SERVICE ENTERPRISES)

JUNE 30, 1974

ACCOUNTING POLICIES

Accounting policies of the City and County of San Francisco are basically consistent with generally accepted principles of governmental accounting as recommended by the National Committee on Governmental Accounting in its publication "Governmental Accounting, Auditing and Financial Reporting", 1968 edition. Such principles by usage and custom have been recognized as within the concept of generally accepted accounting principles as interpreted by the American Institute of Certified Public Accountants up to and including June 30, 1974.

The following accounting practices are contrary to generally accepted accounting principles:

1. Plant, property and equipment accounts aggregating \$834,669,315 at June 30, 1974 represent generally the accumulated cost of the investment in such assets. Because of a lack of detailed records showing acquisition costs, these asset accounts are not always properly relieved of cost when assets are retired.
2. Federal and State grants revenues and expenditures are not adequately identified as such in the accounting records. At the time such grants are received, the amount of the award is recorded as a Deferred Revenue, (a balance sheet account), appropriation accounts are established for such grants, and as expenditures are made, they are applied directly against the Deferred Revenue. During the year ended June 30, 1974 expenditures amounted to \$39,300,007. Revenues will ultimately be approximately the same amount but will overlap to other fiscal periods due to timing differences in processing disbursement claims.

Various items, including outstanding warrants are presented under the caption Loan, Accounts Payable and Commitments. To provide for a proper cutoff of expenditures, management has, on a basis consistent with previous years, continued to record in the warrant register for approximately two weeks into July, items of expenditure which relate to the year under examination. In the absence of reclassification entries, the effect of this practice is to overstate outstanding warrants and understate accounts payable. Management feels, and we concur, that failure to make such a reclassification would not make "Loans, Accounts Payable and Commitments" misleading as a whole and accordingly no reclassification has been made.

It is the City and County of San Francisco's policy not to liquidate inter-departmental work order encumbrances until the projects to which such encumbrances relate are complete. Like other encumbrances, outstanding work orders reduce the unencumbered appropriations of the requesting department or fund. The expend-

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO UNIFIED SCHOOL DISTRICT
AND SAN FRANCISCO COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS
(EXCLUSIVE OF PUBLIC SERVICE ENTERPRISES)

JUNE 30, 1974

ACCOUNTING POLICIES (Continued)

ditures, however, are accumulated in an asset account and are not closed to such appropriations until the project is complete. This practice does not have any unusual effect upon the determination of unencumbered balances, however, in cases of capital projects where the period of construction spans two or more accounting periods, such a practice may distort the expenditure additions in a given year.

REFUND OF PREVIOUS CONTRIBUTIONS FROM GENERAL CITY REVENUES TO THE AIRPORT

Current funds include an amount of \$22,388,104 which is reflected in interfund accounts receivable and other deferred credits. This is the result of a recognition by the Airport Commission on July 1, 1973 of a liability to repay the sum of \$24,388,104 to the General Fund of monies previously raised by taxation. The plan for repayment provides for the annual repayment of \$2,000,000 commencing with the current fiscal year. This amount was received and is reflected in Exhibit C. Further reference should be made to Note 3 of the audit report of the Airport for the year ended June 30, 1974.

RETIREMENT SYSTEM

The following is quoted from the Notes to Financial Statements of the latest independent audit report for the Employees' Retirement System covering the year ended June 30, 1973.

"Reserves are not provided to meet pension requirements for current or prior service of policemen retired under Charter Section 166 or of firemen retired under Charter Section 169 nor for prior service of other members. These benefits are provided out of current contributions of the City and County of San Francisco. The estimated requirements for these benefits at June 30, 1971, were \$49,095,500 based on an actuarial survey at that date. No estimate has been made since that date."

We were informed that the Retirement System has made no estimate of its contingent liability at June 30, 1974 for compensation claims pending under the workmen's compensation laws of the State of California. At June 30, 1969, the estimated liability was \$6,000,000. No reserve is provided for compensation claims, which are paid by the Retirement System out of funds provided by the City and County of San Francisco in each annual appropriation ordinance.

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO UNIFIED SCHOOL DISTRICT
AND SAN FRANCISCO COMMUNITY COLLEGE DISTRICT

NOTES TO FINANCIAL STATEMENTS
(EXCLUSIVE OF PUBLIC SERVICE ENTERPRISES)

CONTINGENT LIABILITIES

Social Services Department Claims Audit

Reimbursement claims of the Social Services Department are subject to audit by the State and Federal governments. As of the date of this report, the Federal government had audited through June 30, 1966 and the State government had audited through September 30, 1971. Reserves have been provided by the City and County for claims filed by the Federal and State governments through June 30, 1974, amounting to \$412,841.

Additional Federal and State audits were being completed at the date of this report. The Social Services Department was advised verbally by Federal auditors that the Federal audits cover various periods subsequent to June 30, 1966, relate to administrative costs only, and that there are questioned costs aggregating \$694,880.

The State auditors advised the Social Services Department verbally that their audits cover both assistance claims and administrative costs for a thirty-three month period ending June 30, 1974 and that preliminary findings indicate questioned costs in the amount of \$635,135.

Other contingent liabilities

The City and County of San Francisco is contingently liable for its pro rata share of the bond interest and redemption requirements of the San Francisco Bay Area Rapid Transit District on the ratio of the assessed valuation of the taxable property of the City and County lying within the District.

The City Attorney advised as follows with respect to litigation in which the City and County of San Francisco was involved at June 30, 1974:

"Approximately 2,650 suits seeking money judgments are pending. Prayers approximate \$150,000,000. Net dollar liability (ultimate payout) is estimated at \$8,000,000."

As of June 30, 1974, the School District's contingent liability for injury claims was estimated by the legal advisor to the Board of Education to be not in excess of \$200,000. No reserve has been provided for the above amounts.

Claims submitted by the Social Services Department for reimbursement of the State and Federal share of costs are subject to audit by the State and Federal governments. As of the date of this report, the Federal government had audited through June 30, 1966 and the State government had audited through September 30, 1971. Reserves have been provided for claims filed in fiscal year ending subsequent to June 30, 1968, in the total amount of \$383,799.

For possible contingent liabilities of the Employees' Retirement System attention is directed to the audit report which is to be submitted subsequent to the issuance of the Annual Report.

ACCOUNTANTS' OPINION ON SUPPLEMENTARY INFORMATION

Our examination of the basic financial statements presented in the preceding section of this report was made primarily to form an opinion on such financial statements taken as a whole. Supplementary information, contained in the following pages, is not considered essential for the fair presentation of the financial position of the City and County of San Francisco (exclusive of Public Service Enterprises) or revenues and expenditures of current funds or changes in the unappropriated balances of current funds in conformity with generally accepted accounting principles. However, the following data were subjected to the audit procedures applied in the examination of the basic financial statements except for the limitations described in the accountants' opinion on financial statements. Our opinion covering the basic financial statements refers in a footnote to departures from generally accepted accounting principles with respect to property, plant and equipment and revenues and expenditures arising from Federal and State grants. In our opinion, except for the departures from generally accepted accounting principles described above, the following data identified as Exhibits D, E, F, G and H in the preceding table of contents, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

This report also includes financial statements, identified as Exhibits I, J and K in the preceding table of contents, which summarize Public Service Enterprises. Each of the underlying separate financial statements were examined by other certified public accountants, except for that covering the Public Utilities Commission, which was unaudited, and except for that covering the Port of San Francisco, which was examined by us in a separate engagement. These financial statements are provided for information only and we express no opinion on them.

Erwin Rappaport & B.

San Francisco, California
February 7, 1975

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO UNIFIED SCHOOL DISTRICT
AND SAN FRANCISCO COMMUNITY COLLEGE DISTRICT

(MONTHLY FUND BALANCE SHEETS -- CURRENT FUNDS
(EXCLUSIVE OF PUBLIC SERVICE ENTERPRISES))

JUNE 30, 1974

EXHIBIT D
Page 1 of 2

	A S S E T S			
	Cash	Accounts receivable	Interfund accounts receivable	Deferred charges
Monetary	\$ 47,172,007	\$49,613,583	\$197,621,240	\$ 228,537
Recreation and Park	4,283,250	746,850	1,786,624	52,507
Library	1,600,857	60,002	144,927	
War Memorial	369,146		1,013,602	
Unsettled School Service				65,550
Fine Arts Museum	611,411		67,237	
Publicity and Advertising	272,951		127	
Head	6,916,915	307,061	5,436,902	
San Francisco Unified School District	20,217,495	2,097,376	1,369,491	2,449,132
San Francisco Community College District	4,058,079	4,883,311	360,340	
San Francisco Unified School District Reserve	5,552,551	6,816,314	25,637	
San Francisco Community College District Reserve	7,864,664	7,351		
Stinson Cafeteria	1,342,930	913,150	16,068	144,700
San Francisco Community College District Cafeteria	51,039			10,843
Child Care Centers	1,294,945	481,392	123,212	
Development Center for Handicapped Minors	432,422	3,376		
Special Use Tax Street Improvement	15,738,793	689,758	7,921,071	
Employees Retirement - Current	897,972		9,537,836	
Bond Interest and Redemption	2,556,521	27,738	3,500,198	
Marina Tauch Harbor	744,563		76	1,064,139
Cash Reserves	1,786,860	4,215,246	54,044,430	
Emergency Reserve	243,026		1,254,623	
San Francisco Zoo	478,932			
Capital Improvement	626,569	5,446,104		
Golden Gate Park Improvement	1,645,592		118,128	
Home Services		562,220		
Alcoholic Beverage License Subsidy		271,298		
Auditorium	(167,930)			
Fireman's Relief and Pension	(171,332)			
Police Relief and Pension	(100,235)			
Welfare Assistance and Administration	10,597,801	3,212,737		
San Francisco Bay Area Rapid Transit District		282,968		
Off-Street Parking	2,705,532		3,900	
Water Light and Power	103,214	7,527	1,246,145	
Hotel Room Tax	348,068	1,767,149	29,142	
Health Services - Current	153,129		326,104	
Federal Revenue Sharing	3,617,153	4,934,790		
Animal Control and Welfare	133,683			
Support Fund				
Tax Collector's Taxes	3,103,022			
Delinquent Tax Installments	829,366			
Redemption of Property	128			
	\$167,806,222	\$87,386,761	\$285,947,060	\$4,035,408
				\$525,175,438

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO UNIFIED SCHOOL DISTRICT
AND SAN FRANCISCO COMMUNITY COLLEGE DISTRICT

INDIVIDUAL FUND BALANCE SHEETS -- CURRENT FUNDS
(EXCLUSIVE OF PUBLIC SERVICE ENTERPRISES)
JUNE 30, 1974

EXHIBIT D
Page 2 of 2

	LIABILITIES AND FUND BALANCES					
	Total	Loans, accounts payable and commitments	Interfund accounts payable	Deferred credits	Reserves	Unencumbered appropriations
General	\$294,645,337	\$56,661,337	\$133,901,574	\$52,535,789	\$1,807,435	\$19,537,988
Recreation and Park	6,869,231	1,082,574	4,202,563	380,993	672,912	726,049
Library	1,805,786	562,982	995,707	171,104	10,000	65,993
War Memorial	1,382,748	20,487	331,679	704	25,000	1,006,878
County School Service	65,350	8,600				56,750
Fine Arts Museum	678,648	158,699	502,932	4,976	2,000	10,041
Publicity and Advertising	273,078	180,850	93,078	1,987		(2,837)
Road	12,460,878	486,919	7,262,889			1,391,366
San Francisco Unified School District	26,133,494	10,995,266	4,643,902	187,259	1,275,262	2,262,879
San Francisco Community College District	9,301,730	1,892,874	1,137,526	1,334,130	30,000	203,700
San Francisco Unified School District Reserve	12,404,702	2,375,370	3,445,809	4,782,075		1,508,051
San Francisco Community College District Reserve	7,872,015	20,283	2,875,451			4,845,566
School Cafeteria	2,416,848	216,677	1,087,427		148,700	14,583
San Francisco Community College District Cafeteria	61,882	42,569			12,422	26
Child Care Centers	1,899,549	424,640	183,913	203		128,440
Development Center for Handicapped Minors	435,798	11,200	214,342			20,188
Special Gas Tax Street Improvement	24,349,622	148,531	11,293,347	2,250	225,000	10,885,538
Employees' Retirement - Current	10,535,808	410,827	653,862	49,948	900	9,421,571
Bond Interest and Redemption	6,084,457	57,284	5,400,002		607,373	2,822
Marina Yacht Harbor	1,828,778	1,107,982	506,848	24,361	151,935	14,686
Cash Reserves	60,046,536		32,824,938			27,221,578
Emergency Reserve	1,497,649					1,497,649
San Francisco Zoo	478,932		217,096			261,836
Capital Improvement	6,070,893		5,920,893			150,000
Candlestick Park Improvement	1,582,840		502,995			1,079,845
Sewer Service	562,220		562,220			
Alcoholic Beverage License Subsidy	271,298		271,298			
Auditorium	(167,930)					
Firemen's Relief and Pension	(171,332)					(167,930)
Police Relief and Pension	(103,235)					(171,332)
San Francisco Bay Area Rapid Transit District	13,810,536		13,385,838	424,700		(103,235)
Off-Street Parking	2,709,432		1,247,511			142,677
Heat, Light and Power	1,356,886	709,590	217,178	7,464		398,153
Motel Room Tax	2,144,359		865,686		1,253,675	25,000
Health Services - Current	479,233	6,964	243,359			198,243
Federal Revenue Sharing	8,551,943		6,321,159			2,230,784
Animal Control and Welfare	133,683			81,940		51,743
Unapportioned Funds						
Tax Collector's Taxes	3,103,022			3,103,022		
Delinquent Tax Installments	829,366			829,366		
Redemption of Property	198			198		
	<u>\$225,175,438</u>	<u>\$77,982,769</u>	<u>\$241,596,008</u>	<u>\$63,921,569</u>	<u>\$6,092,216</u>	<u>\$56,335,200</u>
						<u>\$81,317,678</u>

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO UNIFIED SCHOOL DISTRICT
AND SAN FRANCISCO COMMUNITY COLLEGE DISTRICT
OFFICIAL FUND BALANCE SHEETS - CAPITAL FUNDS
(RESERVE OF PUBLIC SERVICE ENTERPRISES)

JUNE 30, 1974

ASSETS

	Cash	Interfund accounts receivable	Unsold bonds	Amounts to be provided for payment of bond principal	Total
Basic Funds					
1000 General	\$ 67,037	\$	\$	\$	\$ 67,037
1001 Community Home and Court and 1948 Juvenile					1,943
1002 Home and Juvenile Home		1,943			1,943
1003 Off-Site Parking		414,679			414,679
1004 Office Improvement		818,596			818,596
1005 Sewerage		7,072			7,072
1006 Sewage Treatment		23,637			23,637
1007 Sewer		45,358			45,358
1008 Stormwater		5,971		65,000	70,971
1009 Sewer		50,253		710,000	760,253
1010 Laguna Honda Home and Hospital		5,253			5,253
1011 San Francisco Hospital		13,367			13,367
1012 Hospital		8,383		60,000	8,383
1013 Hospitals and Recreation Centers		170,596		960,000	1,130,596
1014 State of Justice		33,916		590,000	623,916
1015 Police		8,788		2,700,000	2,708,788
1016 Recreation and Park (DeLishart Aquarium)		1,760		135,000	136,760
1017 Child Center Auditorium		17,074		1,375,000	1,392,074
1018 Section of Police		2,260		750,000	752,260
1019 St. Francis Hospital		16,863		740,000	756,863
1020 Sewer		949,845		4,635,000	5,584,845
1021 Sewer		29,420		225,000	254,420
1022 Sewerage and Sewage Treatment		1,616,277	2,128,000	8,330,000	12,074,277
1023 Sewer Lighting		1,288,130	645,000	4,475,000	6,408,130
1024 Sewer		1,296,563		20,800,000	22,096,563
1025 State Improvement		1,135,601		2,815,000	3,950,601
1026 Long (San Francisco)		1,699		720,000	721,699
1027 Sewerage Control		8,244,389	17,372,672	25,905,000	51,522,061
1028 Sewerage Control		6,413,778	4,610,627	13,275,000	24,309,405
1029 Sewerage and Water Pollution Control		3,772,975	110,000	3,755,000	18,502,975
1030 Sewerage Control			50,000	10,865,000	335,000
1031 Sewerage Control				535,000	335,000
1032 Sewerage Control				13,280,000	71,435,683
1033 Sewerage Control				5,740,000	13,261,816
1034 Sewerage Control				4,550,000	7,262,646
1035 Sewerage Control				23,000,000	27,070,710
1036 Sewerage Control				17,000,000	34,826,000
Special Funds					
1000 General	2,713,334				2,713,334
1001 Sewerage Control (Sewerage Control) District	446,845				446,845
	<u>\$61,467,485</u>	<u>\$22,143,299</u>	<u>\$115,070,000</u>	<u>\$160,255,000</u>	<u>\$310,935,784</u>

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO UNIFIED SCHOOL DISTRICT
AND SAN FRANCISCO COMMUNITY COLLEGE DISTRICT
INDIVIDUAL FUND BALANCE SHEETS -- CAPITAL FUNDS
(EXCLUSIVE OF PUBLIC SERVICE ENTERPRISES)

JUNE 30, 1974

	LIABILITIES AND FUND BALANCES					
	Total	Bonded debt	Accounts payable and commitments	Interfund accounts payable	Fund Balances Unencumbered appropriations	Unappropriated
Bond Funds						
1944 Sewer	\$ 67,037	\$	\$	\$	\$	\$ 67,037
1944 Juvenile Home and Court and 1948 Juvenile Court and Detention Home	1,943					1,943
1947 Off-Street Parking	416,679					344,369
1947 Street Improvement	818,594			70,310	428,915	389,679
1947 Recreation	7,072				7,072	
1948 Sewage Treatment	23,637				23,637	
1948 School	45,358					45,358
1952 Firehouse	70,971	65,000			5,000	971
1954 Sewer	766,253	710,000		11,201	4,670	34,382
1954 Laguna Honda Home and Hospital	5,253				1,186	4,067
1954 San Francisco Hospital	73,367	60,000			3,682	9,685
1954 Exhibit Hall	8,383					8,383
1955 Playgrounds and Recreation Centers	1,136,596	960,000	5,230	100,000	65,366	6,253
1956 Hall of Justice	623,916	590,000			27,663	8,788
1956 School	2,708,788	2,700,000				75
1958 Recreation and Park (Steinhart Aquarium)	135,760	135,000			1,685	
1959 Civic Center Auditorium	1,592,074	1,575,000			17,074	
1959 Palace of Fine Arts	722,240	720,000	117	2,100	23	
1960 de Young Museum	756,863	740,000			16,863	
1960 Sewer	5,584,845	4,635,000	9,000	79,662	843,983	17,200
1961 Fort Funston	254,420	225,000			29,420	
1964 Sewerage and Sewage Disposal	12,074,277	8,330,000	67,866	1,047,627	2,628,784	
1964 Street Lighting	6,406,130	4,405,000		717,279	1,213,851	
1964 School	22,094,543	20,800,000	35,429	1,146,735	80,405	11,974
1964 Fire Department	3,950,601	2,815,000	654,433	93,928	387,240	
1964 Los Obispo Ranch	721,699	720,000			1,699	
1965 Medical Center	51,522,061	25,905,000	165,073	24,942,329	509,659	
1968 Market Street Reconstruction and Improvement	32,324,405	13,275,000	1,939,919	8,823,790	8,265,696	
1968 Sewerage and Water Pollution Control	18,502,975	10,865,000	190,602	1,964,540	5,482,833	
1969 Community College	535,000	535,000				
1970 Water Pollution Control	71,435,693	13,280,000	2,767,324	2,645,181	22,807,374	29,935,814
1971 Fire Protection	13,261,816	5,740,000	288,327	1,333,626	5,899,863	
1972 Street/Highway Lighting	7,262,646	1,400,000	7,285	246,741	5,588,620	
1972 Sewer Bond	27,070,710	2,000,000	20,045	1,940,986	23,109,679	
1973 Public School	54,826,000	17,000,000		4,567,150	33,258,850	
Real Property Funds						
General City	2,713,334		150	1,578,454	441,233	693,497
San Francisco Unified School District	446,845			382,210	50,287	30,348
Totals	\$340,935,784	\$160,255,000	\$6,190,800	\$51,673,849	\$111,202,312	\$31,613,823

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO UNIFIED SCHOOL DISTRICT
AND SAN FRANCISCO COMMUNITY COLLEGE DISTRICT

ANNUAL FUND BALANCE SHEETS - TRUST AND ASSESSMENT FUNDS
EXHIBIT FIVE OF PUBLIC SERVICE ENTERPRISES

JUNE 30, 1974

	A S S E T S					Total
	Cash	Accounts receivable	Investments	Interfund accounts receivable	Deferred charges and deposits	
Retirement and Other Public Trust Funds	\$15,108,660	\$6,502,260	\$599,431,048	\$1,623,493		\$622,665,461
Employees' Retirement System						
Requests						
Brunetti	661		94			755
Garcia	11,514					11,514
Fulmer	300					300
Fireman Request - Joint	60,291		49,340	3,351		112,982
Fireman Request - Library	211,405	1,728	105,250			318,383
Fireman Request - Park	318,852					318,852
Gonzalez	7,409		72,433			79,842
Heller	97,737					97,737
Hester 20th	10,000		220,000			230,000
Korvatin	9,144	156	7,926			17,226
Lewis	65		2,000			2,065
Maguire Request	5					5
Nero	9,790					9,790
McLean	1,063					1,063
Rell T. O'Connell Fund	9,289		65,492			74,781
Tiam	1,173					1,173
Walker	3,784					3,784
Raymond	33					33
Rafkinson	4,100	300	40,000			44,400
Sutcliffe	618		19,796			20,414
Hinde II	1,450					1,450
Hilde	135					135
Hainberg	10					10
Ham	517					517
Heraux	7,460					7,460
Herybing	115					115
Hicks	2,391	38	4,997			7,426
Harris	10,000					10,000
Vane	205,892	189	412,455			618,536
Vader	35,040					35,040
Wilbert	305					305
Windle II	2,959	352	15,009			18,320
Board of Trustees - Legion of Honor	9,804					9,804
Committee National Program	19,607					19,607
County Jail Prisoner's Welfare	13,715					13,715
Health Service	2,118,763			813,276		2,932,039
San Francisco Paralytic	35					35
San Francisco Library Information	1,196					1,196

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO UNIFIED SCHOOL DISTRICT
AND SAN FRANCISCO COMMUNITY COLLEGE DISTRICT

INDIVIDUAL FUND BALANCE SHEETS - TRUST AND ASSESSMENT FUNDS
(EXCLUSIVE OF PUBLIC SERVICE ENTERPRISES)

JUNE 30, 1974

	LIABILITIES AND FUND BALANCES				
	Total	Accounts payable and commitments	Interfund accounts payable	Deferred credits	Fund balances
Retirement and Other Public Trust Funds					
Employees' Retirement System	\$622,665,461	\$5,293,825	\$130,198		\$617,241,438
Requests					
Brunetti	755			94	661
Condon	11,514				11,514
Fallon	300				300
Fuhrman Request - Joint	112,982			49,340	63,642
Fuhrman Request - Library	318,383	181,523	3,351	105,250	28,259
Fuhrman Request - Park	318,832	24,200			294,632
Gourley	79,842			72,433	7,409
Heller	97,737				97,737
Herbst - Gift	230,000			220,000	10,000
Herrstein	17,226			7,926	9,300
Lewis	2,065			2,000	65
Magnani Request	5				5
Marx	9,790				9,790
McLean	1,063				1,063
Nell V. O'Connell Fund	74,781	1,305		65,492	7,984
Olsen	1,173				1,173
Parker	3,784	400			3,384
Raymond	33	15			18
Robinson	44,400	160		40,000	4,240
Selinger	20,414			19,796	618
Sindell	1,858				1,858
Swede	135				135
Steinberg	10				10
Stoy	517				517
Strauss	7,460	975			6,485
Strybing	115				115
Sutro	7,426			4,997	2,429
Swartz	10,000				10,000
Vane	618,536		41,050	412,455	165,031
Waden	35,040	203			34,837
Wilbert	305				305
Windell	18,320	774		15,009	2,537
Board of Trustees - Legion of Honor	9,804				9,804
Community Renewal Program	19,607				19,607
County Jail Prisoners' Welfare	13,715				13,715
Health Service	2,932,039	933,066		479,057	1,519,916
Infantile Paralysis	35				35
Public Library Information	1,196				1,196

CITY AND COUNTY OF SAN FRANCISCO
THE PARISHING IMPROVED SCHOOL DISTRICT
AND THE SAN FRANCISCO COMMUNITY COLLEGE DISTRICT

ANNUAL BALANCE SHEET - TRUST AND ASSESSMENT FUNDS
(EXHIBIT F OF 1974) (SERVICE ENTERPRISES)

JUNE 30, 1974

	ASSETS				
	Cash	Accounts receivable	Investments	Interfund accounts receivable	Deferred charges and deposits
					Total
Retirement and Other Public Trust Funds (Continued)					
Legion World War - Gift Fund	\$ 12,427				\$ 12,427
Legion World War - Gift Fund	5,851				5,851
Legion World War - Gift Fund	587				587
Legion World War - Gift Fund	11				11
Legion World War - Gift Fund	123				123
Legion World War - Gift Fund	280				280
Legion World War - Gift Fund	743				743
Legion World War - Gift Fund	-		11,307		11,307
Legion World War - Gift Fund	9,229	220		2	9,451
Legion World War - Gift Fund	273				273
Legion World War - Gift Fund	53,756				53,756
Legion World War - Gift Fund	118,580				118,580
Legion World War - Gift Fund	1,145				1,145
Legion World War - Gift Fund	5,749				5,749
Legion World War - Gift Fund	110				110
Legion World War - Gift Fund	1,364		9,941		11,455
Legion World War - Gift Fund	767				767
Legion World War - Gift Fund	12,192	56,727			68,919
Legion World War - Gift Fund	3,475				3,475
Legion World War - Gift Fund	2,159				2,159
Legion World War - Gift Fund	385				385
Legion World War - Gift Fund	920				920
Total Retirement and Other Public Trust Funds	\$18,925,821	\$6,562,120	\$600,467,088	\$2,440,122	\$627,995,151
Private Trust Funds					
Alameda County	69,315				69,315
Alameda County	110,229	75			110,304
Alameda County	77,871	627		60	78,558
Alameda County	22,757				22,757
Alameda County	761				761
Alameda County	17,328				17,328
Alameda County	1,500				1,500
Alameda County	1,599,176				1,599,176
Alameda County	60				60
Alameda County	338				338
Alameda County	289,982				289,982
Alameda County	100,312				100,312
Alameda County	1,523				1,523

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO UNIFIED SCHOOL DISTRICT
AND SAN FRANCISCO COMMUNITY COLLEGE DISTRICT

INDIVIDUAL FUND BALANCE SHEETS - TRUST AND ASSESSMENT FUNDS
(EXCLUSIVE OF PUBLIC SERVICE ENTERPRISES)

JUNE 30, 1974

	LIABILITIES AND FUND BALANCES					
	Total	Accounts payable and commitments	Interfund accounts payable	Deferred credits	Reserves	Fund balances
Retirement and Other Public Trust Funds (Continued)						
Laguna Honda Home - Gift Fund	\$ 12,427	(24,569)	24,702			\$ 12,274
Laguna Honda Workshop	5,851					5,851
Library Gift Fund	587	25				562
Kitzer Control	11					11
Log Cabin Ranch Welfare	123					123
Methadone Treatment	280					280
George Wilson Meyer Collections	763					743
P.P.I.E. Trust	11,307				11,307	-
P.P.I.E. Scholarship Interest	9,451					9,451
Police Range	273					273
Public Information	53,756	4,241	3,680			45,835
Recreation and Park Gift Fund	118,580	493	61,000			57,085
San Francisco Hospital - Children's Ward	1,145					1,145
San Francisco Hospital - Gift Fund	5,749					5,749
Social Service	110					110
Special Anecdotal Book Fund	11,455	42			9,941	1,472
Levi Strauss Foundation	767					767
State Highway	68,919		39,958			28,961
Storyland Fund	3,475					3,475
Tuberculosis Trust	2,159					2,159
Veterans' Education School	385					385
War Memorial Maintenance and Capital Improvement	920					920
Total Retirement and Other Public Trust Funds	\$627,995,151	\$6,416,700	\$303,939	\$679,057	\$1,036,040	\$619,759,415
Private Trust Funds						
Absent Heirs	69,315	36,945				32,370
Adult Probation Officers' Deposit Account	110,304	57,268	3,966			49,070
Adult Probation Officers' Clearing Account	78,538	79,697	(3,906)			2,767
Adult Probation Work Parlor	22,757	1,186				21,571
California Palace of the Legion of Honor	761					761
Coroner's Unclaimed Money	17,328					17,328
County Clerk Bail	1,500					1,500
County Clerk Special	1,599,176	99,772				1,499,404
de Young Museum	60					60
Business Tax Expense	338					338
Duplicate Taxes	289,982	83,882				206,100
Partial Tax Payments	100,312	11,119				89,193
Electrical Deposits	1,523					1,523

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO UNIFIED SCHOOL DISTRICT
AND SAN FRANCISCO COMMUNITY COLLEGE DISTRICTINDIVIDUAL FUND BALANCE SHEETS - TRUST AND ASSESSMENT FUNDS
(EXCLUSIVE OF PUBLIC SERVICE ENTERPRISES)

JUNE 30, 1974

	A S S E T S				
	Cash	Accounts receivable	Investments	Interfund accounts receivable	Deferred charges and deposits
Private Trust Funds (Continued)					Total
F.I.C.A. Taxes					
Municipal Railway	\$ (178,157)	\$ 4,283		\$ 262,758	\$ 88,884
Parking Authority	481			222	703
Jail Storage Deposits	14,194				14,194
Juvenile Court Deposits	24,698				24,698
Library Card Deposits	1,245				1,245
Municipal Court Bail	5,350				5,350
Municipal Court Special	1,153,731	432			1,154,163
Old Age Security and Disability Insurance	2,084,264			1,259,254	3,343,518
Police Department Deposits	312				312
Rental Deposits	27,195				27,195
Retainable Deposits, Department of Public Works	420,476				420,476
Sheriff's Trust	303,824	25			303,849
Sheriff's Inmate Welfare Fund	14,482				14,482
Special Badges	120				120
Street Improvement	465				465
Street Improvement - Ordinance 1934	6,916				6,916
Voluntary Payroll Deductions	491,684			2,231,630	2,723,314
War Bonds	50,916			69,582	120,498
Withholding Tax - Federal					
General	(1,924,433)			4,225,317	2,300,884
Municipal Railway	(408,576)			781,326	372,750
San Francisco Unified School District	(442,756)			1,879,237	1,436,481
San Francisco Community College District	23,141			374,544	397,685
Withholding Tax - State					
General	(2,306)			621,289	618,983
Municipal Railway	(63,179)			188,576	125,397
San Francisco Unified School District	17,938			279,681	297,619
San Francisco Community College District	(1,685)			58,157	56,472
India Basin Sinking Fund	8,598				11,458
Second San Francisco Seawall Sinking Fund	14,740				156,980
Third San Francisco Seawall Sinking Fund	7,500				185,100
Fourth San Francisco Seawall Sinking Fund	6,247				6,247
Fifth San Francisco Seawall Sinking Fund	13,814				177,600
State Retirement Payroll Deduction	32,787				1,171,210
San Francisco Harbor Commission Payroll Deduction	8,397			24,760	57,547
Port of San Francisco 1970 Revenue Bond Interest	446,823				8,397
					446,823

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO UNIFIED SCHOOL DISTRICT
AND SAN FRANCISCO COMMUNITY COLLEGE DISTRICT

INDIVIDUAL FUND BALANCE SHEETS - TRUST AND ASSESSMENT FUNDS
(EXCLUSIVE OF PUBLIC SERVICE ENTERPRISES)

JUNE 30, 1974

	LIABILITIES AND FUND BALANCES				
	<u>Total</u>	<u>Accounts payable and commitments</u>	<u>Interfund accounts payable</u>	<u>Deferred credits</u>	<u>Reserves</u>
Private Trust Funds (Continued)					
F.I.C.A. Taxes					
Municipal Railway	\$ 88,884	\$ 88,884			\$ 4
Parking Authority	703	699			13,151
Jail Stores Deposits	14,194	1,043			20,063
Juvenile Court Deposits	24,698	4,635			1,075
Library Card Deposits	1,245	170			5,250
Municipal Court Bail	5,350	100			1,012,859
Municipal Court Special	1,154,163	141,304			3,342,131
Old Age Security and Disability Insurance	3,343,518	1,387			312
Police Department Deposits	312				15,195
Realty Deposits	27,195	12,000			403,217
Refundable Deposits, Department of Public Works	420,476	17,259			222,000
Sheriff's Trust	303,849	81,714	135		12,055
Sheriff's Inmate Welfare Fund	14,482	2,427			120
Special Badge	120				465
Street Improvement	465				6,916
Street Improvement - Ordinance 1934	6,916				1,772,545
Voluntary Payroll Deductions	2,723,314	950,769			51,290
War Bonds	120,498	69,208			
Withholding Tax - Federal					
General	2,300,884	2,041,157			259,727
Municipal Railway	372,750	264,751	66,256		41,743
San Francisco Unified School District	1,436,503	1,417,568			18,935
San Francisco Community College District	397,685	260,332	132,374		4,979
Withholding Tax - State					
General	618,983	236			618,747
Municipal Railway	125,397	4			125,393
San Francisco Unified School District	297,619	(218)			297,837
San Francisco Community College District	56,472	258			56,214
India Basin Sinking Fund	11,458			2,860	8,598
Second San Francisco Seawall Sinking Fund	156,980			142,240	14,740
Third San Francisco Seawall Sinking Fund	185,100			177,600	7,500
Fourth San Francisco Seawall Sinking Fund	6,247				6,267
Fifth San Francisco Seawall Sinking Fund	1,185,024			1,171,210	13,814
State Retirement Payroll Deduction	57,547	10,724			46,823
San Francisco Harbor Commission Payroll Deductions	8,397				8,397
Port of San Francisco 1970 Revenue Bond Interest	446,823	260,370			186,453

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO UNIFIED SCHOOL DISTRICT
AND SAN FRANCISCO COMMUNITY COLLEGE DISTRICT

UNIFIED FUND BALANCE SHEETS - TRUST AND ASSESSMENT FUNDS
(OFFICERS OF PUBLIC SERVICE ENTERPRISES)

JUNE 30, 1974

	A S S E T S					Total
	Cash	Accounts receivable	Investments	Interfund accounts receivable	Deferred charges and deposits	
Private Trust Funds (Continued)						
City of San Francisco 1970 Revenue Bond Reserve	\$ 40,000				1,377,652	\$ 1,417,652
San Francisco Community College Dormitory	550					550
Total Private Trust Funds	40,550	5,662		12,256,613	2,871,362	19,626,367
Agency Funds						
Attygen Access Study	4					4
Bay Area Rapid Transit District	148,168			282,968		431,116
BART - Municipal Railway Transit Project	20,418					20,418
Community Opportunity Council	10,521					10,521
Kindergarten Readiness District	19,323				35,000	54,323
Kidney Program Agency						
Lower Market and Embarcadero Trustee Account	578,594			11,180		589,774
Municipal Expenditure Funds	272,620			8,915		281,535
Resolving Fund	351,990			295,771		647,761
Temporary Loan Funds	12,232					12,232
San Francisco Concentrated Employment	645					645
Tenants Security Depository Tax	3,296					3,296
State of California						
Consumers' Use Tax	12,315					12,315
County Clerk	2,263					2,263
County Fair	112,638					112,638
Fines and Penalties	469,290			98		469,388
General Agency	27,418					27,418
Gifts and Donations	273,564					273,564
Gifts and Donations Tax Refunds	302					302
Law Library	18,773			1,078		19,851
Local Transportation	514,391					514,391
Sales Tax	6,915			5		6,920
State Teachers' Retirement Plan	5			5		10
Teachers' Annuity Deposit	370,761			473,854		844,615
Teachers' Annuity Deposit - San Francisco Community College District	154,100			109,485		263,585
Total Agency Funds	3,380,326			1,183,354	35,000	4,598,680
Lease Deposits and Guarantees					177,640	177,640
Total Unified Fund Balance Sheets - Trust and Assessment Funds	26,327,097	6,567,562	600,467,088	15,879,889	3,086,202	632,325,838

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO UNIFIED SCHOOL DISTRICT
AND SAN FRANCISCO COMMUNITY COLLEGE DISTRICT

INDIVIDUAL FUND BALANCE SHEETS - TRUST AND ASSESSMENT FUNDS
(EXCLUSIVE OF PUBLIC SERVICE ENTERPRISES)

JUNE 30, 1974

	LIABILITIES AND FUND BALANCES				
	<u>Total</u>	<u>Accounts payable and commitments</u>	<u>Interfund accounts payable</u>	<u>Deferred credits</u>	<u>Fund balances</u>
Private Trust Funds (Continued)					
Port of San Francisco 1970 Revenue Bond Reserve	\$ 1,417,652	40,900		1,377,652	\$ 550
San Francisco Community College Dormitory	550				
Total Private Trust Fund	<u>19,624,367</u>	<u>6,036,650</u>	<u>198,825</u>	<u>2,871,562</u>	<u>10,517,330</u>
Agency Funds					
Airport Access Study	4				4
Bay Area Rapid Transit District	431,116	2,293		282,968	145,805
BART - Municipal Railway Transit Project	20,418				20,418
Economic Opportunity Council	10,521	10,521			-
Hunters Point Reclamation District	54,323		35,000		19,323
Redevelopment Agency					
Lower Market and Embarcadero Trustee Account	589,774				589,774
Project Expenditure Funds	281,535	(4)	218,393		63,146
Revolving Fund	647,761		190,762		456,999
Temporary Loan Funds	12,232		8,915		3,317
San Francisco Concentrated Employment	445	445			-
Tuolumne County Occupancy Tax	3,296				3,296
State of California					
Consumers' Use Tax	12,315				12,315
County Clerk	2,263	460	1,078		725
County Fair	112,638	15,518	53,701		43,419
Fines and Forfeitures	469,388	69,859			399,529
General Agency	27,418	14,848			12,570
Inheritance Taxes	273,564	264,413			9,151
Inheritance Tax Refunds	302				302
Law Library	19,851	19,681	97		73
Local Transportation	514,391	39,588			474,803
Sales Tax	6,920				6,920
State Teachers' Retirement Plan	5	5			-
Teachers' Annuity Deposit	844,615	381,310			463,305
Teachers' Annuity Deposit - San Francisco Community College District	<u>263,585</u>	<u>180,070</u>			<u>83,515</u>
Total Agency Funds	<u>4,598,680</u>	<u>999,007</u>	<u>507,946</u>	<u>282,968</u>	<u>2,808,709</u>
Lease Deposits and Guarantees	<u>177,640</u>				<u>177,640</u>
Total Individual Fund Balance Sheets - Trust and Assessment Funds	<u>652,395,838</u>	<u>13,452,357</u>	<u>1,010,710</u>	<u>762,025</u>	<u>633,085,454</u>

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO UNIFIED SCHOOL DISTRICT
AND SAN FRANCISCO COMMUNITY COLLEGE DISTRICT

SUMMARY OF PROPERTIES
(EXCLUSIVE OF PUBLIC SERVICE ENTERPRISES)

JUNE 30, 1974

	<u>Total</u>	<u>Land</u>	<u>Structures and improvements</u>	<u>Equipment</u>
Current year's additions, net				
General Government				
Civic Center, including				
City Hall	\$ 532,814		\$ 40,243	\$ 492,571
Public Safety				
Fire Department	1,718,318	\$ (463,850)	1,763,065	419,103
Police Department	741,558	(130,000)	61,480	810,078
Department of Electricity	227,924		212,312	15,612
Highways				
Streets, tunnels, bridges	93,156	173,347	(134,488)	54,297
Asphalt Plant	183		183	
Sanitation				
Sewers and Sewer Disposal				
Plants	5,621,795		5,540,131	81,664
Street Cleaning Department	74,324			74,324
Health Conservation				
Civic Center Health				
Building	155,214		1,928	153,286
Other	8,299		8,299	
Hospitals				
San Francisco Hospital	725,175		180,355	544,820
Hassler Hospital	1,403		1,403	
Laguna Honda Hospital	108,864		72,864	36,000
Social Services				
Department of Social				
Services	49,361			49,361
Corrections				
County Jails	7,912		7,912	
Youth Guidance Center	35,231		54	35,177
Schools	9,301,371	54,634	7,810,446	1,436,291
Libraries	1,003,212		9,771	993,441
Recreation				
Parks and Playgrounds	687,939	996	278,686	408,257
Museums, Art Galleries, etc.	35,648		7,083	28,565
War Memorial and Opera House	3,233			3,233
Yerba Buena Sports Arena	2,727,454		2,727,454	
Auditorium and Exhibit Hall	6,802			6,802
Other	54,392		7,808	46,584
	23,921,582	(364,873)	18,596,989	5,689,466
Prior year's additions	<u>810,747,733</u>	<u>102,179,280</u>	<u>628,640,191</u>	<u>79,928,262</u>
	<u>\$834,669,315</u>	<u>\$101,814,407</u>	<u>\$647,237,180</u>	<u>\$85,617,728</u>

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO UNIFIED SCHOOL DISTRICT
AND SAN FRANCISCO COMMUNITY COLLEGE DISTRICTBONDED INDEBTEDNESS
(EXCLUSIVE OF PUBLIC SERVICE ENTERPRISES)

JUNE 30, 1974

	<u>Date of issue</u>	<u>Interest rate percentage</u>	<u>Amount</u>
General City and County			
Schools			
1956 School			
Series D	2/1/60	3.50	\$ 310,000
Series E	10/1/60	3	660,000
Series F	7/1/61	3.25	495,000
Series G	3/1/62	2.75 and 3	420,000
Series H	9/1/64	2.75 and 3	815,000
1964 School			
Series A	9/1/65	3	945,000
Series B	11/1/66	4	2,120,000
Series C	3/1/68	3.90 to 4.10	5,070,000
Series D	2/1/69	4.25 to 4.50	3,000,000
Series E	2/1/70	5.80 to 6	3,740,000
Series F	1/1/71	3.60 to 5	5,925,000
1973 Public School Building Improvement	5/1/74	5 to 6	<u>17,000,000</u>
			<u>40,500,000</u>
San Francisco Community College District			
1969 Student Union Revenue Bonds	4/1/69	3	<u>535,000</u>
Boulevard and Roads			
1964 Street Lighting			
Series A	9/1/65	3	200,000
Series B	11/1/66	4	740,000
Series C	3/1/68	4 and 4.10	360,000
Series D	2/1/69	4.25 to 4.50	1,065,000
Series E	1/1/71	3.60 to 4.60	1,110,000
Series F	5/1/74	5 to 6	1,000,000
1968 Market Street Reconstruction and Improvement			
Series A	2/1/70	6	7,425,000
Series B	2/1/72	3.30 to 4.80	950,000
Series C	5/1/73	4.50 to 6	4,900,000
1972 Street and Parkway Lighting			
Series A	5/1/73	4.50 to 6	<u>1,400,000</u>
			<u>19,150,000</u>
Sewers			
1954 Sewer			
Series D	2/1/60	3.50	65,000
Series E	4/1/63	2.50 to 2.75	440,000
Series F	3/1/68	4 to 4.10	205,000

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO UNIFIED SCHOOL DISTRICT
AND SAN FRANCISCO COMMUNITY COLLEGE DISTRICT

BONDED INDEBTEDNESS
(EXCLUSIVE OF PUBLIC SERVICE ENTERPRISES)

JUNE 30, 1974

	<u>Date of issue</u>	<u>Interest rate percentage</u>	<u>Amount</u>
General City and County (Continued)			
Sewers (Continued)			
1960 Sewer			
Series A	3/1/62	2.75 and 3	\$ 975,000
Series B	9/1/64	2.75 and 3	2,010,000
Series C	9/1/65	3	150,000
Series D	2/1/69	4.25 and 4.50	1,500,000
1964 Sewer			
Series A	9/1/65	3	595,000
Series B	11/1/66	4	1,320,000
Series C	3/1/68	3.90 to 4.10	2,450,000
Series D	2/1/69	4.25 to 4.50	2,255,000
Series E	2/1/70	6	605,000
Series F	3/1/71	3.60 to 4.60	1,105,000
1968 Sewage and Water Pollution Control			
Series A	2/1/70	6	1,485,000
Series B	1/1/71	3.60 to 4.60	9,380,000
1970 Water Pollution Control			
Series A	2/1/72	3.30 to 4.90	11,880,000
Series B	5/1/73	4.50 to 6.00	1,400,000
1972 Sewer System Improvement	5/1/74	5 to 6	<u>2,000,000</u>
			<u>39,820,000</u>
Parks and Playgrounds			
1955 Playgrounds and Recreation Centers			
Series D	2/1/60	3.50	20,000
Series E	10/1/60	3	130,000
Series F	3/1/62	2.75 and 3	195,000
Series G	9/1/64	2.75 and 3	270,000
Series H	2/1/72	3.30 to 4.80	345,000
1958 Recreation and Park			
Series A	2/1/60	3.50	90,000
Series B	7/1/61	3.25	45,000
1961 Fort Funston			
Series A	3/1/62	2.75 and 3	<u>225,000</u>
			<u>1,320,000</u>

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO UNIFIED SCHOOL DISTRICT
AND SAN FRANCISCO COMMUNITY COLLEGE DISTRICT

BONDED INDEBTEDNESS
(EXCLUSIVE OF PUBLIC SERVICE ENTERPRISES)

JUNE 30, 1974

	<u>Date of issue</u>	<u>Interest rate percentage</u>	<u>Amount</u>
General City and County (Continued)			
Hospitals			
1954 San Francisco Hospital			
Series E	10/1/60	3	\$ 60,000
1965 Medical Center			
Series A	11/1/66	4	920,000
Series B	2/1/69	4.25 to 4.50	2,300,000
Series C	2/1/70	6	1,265,000
Series D	1/1/71	3.60 to 4.60	<u>21,420,000</u>
			<u>25,965,000</u>
Fire Protection			
1952 Firehouse			
Series D	2/1/60	3.50	20,000
Series E	7/1/61	3.25	45,000
1964 Fire Department			
Series A	9/1/65	3	525,000
Series B	3/1/68	3.90 to 4.10	2,290,000
1971 Fire Protection			
Series A	5/1/73	4.50 to 6	<u>5,740,000</u>
			<u>8,620,000</u>
Hall of Justice			
1956 Hall of Justice			
Series D	9/1/65	3	140,000
Series E	3/1/68	4 and 4.10	<u>450,000</u>
			<u>590,000</u>
Civic Center Auditorium			
1959 Civic Center Auditorium			
Improvement			
Series A	7/1/61	3.25	150,000
Series B	3/1/62	2.75 and 3	1,320,000
Series C	9/1/65	3	<u>105,000</u>
			<u>1,575,000</u>

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO UNIFIED SCHOOL DISTRICT
AND SAN FRANCISCO COMMUNITY COLLEGE DISTRICT

BONDED INDEBTEDNESS
(EXCLUSIVE OF PUBLIC SERVICE ENTERPRISES)

JUNE 30, 1974

	<u>Date of issue</u>	<u>Interest rate percentage</u>	<u>Amount</u>
General City and County (Continued)			
de Young Museum			
1960 de Young Museum			
Series A	4/1/63	2.50 and 2.75	\$ <u>740,000</u>
Palace of Fine Arts			
1959 Palace of Fine Arts			
Series A	9/1/64	2.75 and 3	<u>720,000</u>
Juvenile Court			
1964 Log Cabin Ranch			
Series A	11/1/66	4	560,000
Series B	3/1/68	4 and 4.10	<u>160,000</u>
			<u>720,000</u>
Total General City and County			<u><u>\$140,255,000</u></u>



THE CITY AND COUNTY OF SAN FRANCISCO
FINANCIAL DEPARTMENT

INDIVIDUAL FUND BALANCE SHEETS

JUNE 30, 1974

	ASSETS						
	Cash	Accounts receivable	Interfund accounts receivable	Deferred charges	Unsold bonds	Accounts to be provided for payment of bond principal	Materials and supplies
Water Supply Fund:							
Operating:							
(10) Water Bonds	1,082,408	1,123,354	87,202,630				\$ 92,778
(10) Heavy Water Sewer Bonds	47,587					\$ 2,400,000	
(10) Heavy Water Sewer Bonds	2,028,817	7,617				13,930,000	
San Francisco Water Department:							
Operating:							
(10) Water Bonds	1,682,928	13,834,174	7,823,614				708,792
(10) Water Bonds	1,682,928	3,045	60			82,310,000	
(10) Water Bonds	1,682,928				134,000,000	5,000,000	
Maritime (San Francisco) Fund:							
Operating:							
(10) Marine Bonds	1,121,591	7,016,328	10,849,648	116,759,354			754,802
San Francisco International Airport:							
Operating:							
(10) Airport Bonds	1,066,506	7,814,310	4,813,873	22,388,103			57,698
(10) Airport Bonds	5,785		2,800			2,685,000	
(10) Airport Bonds	60,733						
(10) Airport Bonds	2,667,389	1,113,147	26,810			3,200,000	
(10) Airport Bonds	175,556					82,820,000	
(10) Airport Bonds	59,077,976						
San Francisco:							
Operating:							
(10) San Francisco Bonds	1,316,270	7,310,678	22,102,022	3,721			409,203
(10) San Francisco Bonds						143,000	
(10) San Francisco Bonds						1,362,000	
(10) San Francisco Bonds						2,130,000	
(10) San Francisco Bonds						1,935,000	
(10) San Francisco Bonds						37,660,000	
(10) San Francisco Bonds						19,700,000	
(10) San Francisco Bonds						20,000,000	
San Francisco:							
Operating:							
(10) San Francisco Bonds	1,316,270	7,310,678	22,102,022	3,721			409,203
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(10) San Francisco Bonds						19,700,000	
(10) San Francisco Bonds						20,000,000	
San Francisco:							
Operating:							
(10) San Francisco Bonds	1,316,270	7,310,678	22,102,022	3,721			409,203
(10) San Francisco Bonds						143,000	
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(10) San Francisco Bonds						37,660,000	
(10) San Francisco Bonds						19,700,000	
(10) San Francisco Bonds						20,000,000	
San Francisco:							
Operating:							
(10) San Francisco Bonds	1,316,270	7,310,678	22,102,022	3,721			409,203
(10) San Francisco Bonds						143,000	
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(10) San Francisco Bonds						20,000,000	
San Francisco:							
Operating:							
(10) San Francisco Bonds	1,316,270	7,310,678	22,102,022	3,721			409,203
(10) San Francisco Bonds						143,000	
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(10) San Francisco Bonds						1,935,000	
(10) San Francisco Bonds						37,660,000	
(10) San Francisco Bonds						19,700,000	

CITY AND COUNTY OF SAN FRANCISCO
PUBLIC SERVICE ENTERPRISES
INDIVIDUAL FUND BALANCE SHEETS

JUNE 30, 1974

	LIABILITIES AND FUND BALANCES							
	Total	Bonded debt	Accounts payable and commitments	Interfund accounts payable	Reserves	Deferred credits	Unencumbered appropriations	Unappropriated
Hetch Hetchy Project								
Operating	\$ 59,113,170		\$ 8,430,434	\$ 24,227,115	\$ 96,778	\$14,998,025	\$ 6,630,232	\$ 4,730,586
1928 Water Bonds	2,400,000	\$ 2,400,000						
1949 Cherry Valley Dam Bonds	47,587						47,587	
1955 Hetch Hetchy Power Bonds	16,466,434	13,930,000	32,420	10,000	7,637		678,072	1,808,325
San Francisco Water Department								
Operating	27,029,508		3,763,111	5,791,298	804,711	783,479	2,341,214	13,545,695
1961 Municipal Water System Bonds	87,214,519	82,310,000	171,770	2,552,000	3,046		1,615,790	361,913
1972 Municipal Water System Bonds	43,670,251	5,000,000	4,500,789	620,000			2,716,252	31,033,210
Municipal Railway of San Francisco								
Operating	117,102,723		8,185,611	14,566,283	49,993,751	3,270,381	39,228,242	1,858,255
1947 Municipal Railway Rehabilitation	23,868						23,868	
San Francisco International Airport								
Operating	47,144,490		4,083,393	24,328,367	62,698	260,903	12,407,346	6,001,783
Special Aviation	8,585						2,600	2,985
1956 Airport Bonds	2,745,733	2,685,000					60,733	
Federal Airport Project	6,107,346		1,400,251	351,000	3,842,906		513,189	
1962 Airport Bonds	3,375,634	3,200,000	2,401				173,233	
1967 Airport Bonds	141,897,976	82,820,000	3,364,901	3,962,473			51,750,602	
Port of San Francisco								
Operating	26,141,894		1,483,985	21,779,038	941,662	29,496	1,858,957	48,756
1909 India Basin Bonds	143,000	143,000						
1909 Second San Francisco Seawall Bonds	1,362,000	1,362,000						
1913 Third San Francisco Seawall Bonds	2,130,000	2,130,000						
1929 Fourth San Francisco Seawall Bonds	1,935,000	1,935,000						
1958 Fifth San Francisco Seawall Bonds	38,702,070	37,660,000	142,729	307,846			591,495	
1970 San Francisco Port Revenue Bonds	37,292,667	19,700,000		16,999,190			459	593,018
1971 Harbor Improvement Bonds	68,455,735	20,000,000	7,636,781	142,000			20,676,954	
Public Utilities Commission - Operating	92,919		16,254	63,719	1,000		2,342	9,604
Road Interest and Redemption	59,014		57,814		1,200			
	<u>\$710,662,163</u>	<u>\$225,275,000</u>	<u>\$43,272,644</u>	<u>\$115,500,329</u>	<u>\$55,755,389</u>	<u>\$19,347,684</u>	<u>\$141,322,187</u>	<u>\$58,954,130</u>

CITY AND COUNTY OF SAN FRANCISCO
PUBLIC SERVICE ENTERPRISES

CONDENSED PROPRIETARY BALANCE SHEET

JUNE 30, 1974

CSO-1812
Page 1 of 2

ASSETS

	Total	Public Utilities Commission (Unaudited)	Municipal Railway of San Francisco	San Francisco Department of Water	Hetch Hetchy Project	San Francisco International Airport	Port of San Francisco
<u>Fixed Capital</u>							
Proprietor's	\$892,357,915	\$ 35,132	\$48,856,040	\$218,427,405	\$274,432,791	\$159,033,823	\$19,377,706
Less Accumulated Depreciation	228,213,882	—	33,458,920	65,424,968	80,907,215	47,236,716	50,716,568
Depreciated Value	614,144,033	35,132	15,427,120	153,002,437	193,525,576	111,797,107	140,856,636
Construction Work in Process	46,723,122	—	2,489,454	8,432,452	1,275,400	24,389,428	11,235,081
Total Fixed Capital	660,878,001	35,132	17,689,974	161,215,360	195,500,381	136,265,397	152,121,717
Cash	144,935,028	91,919	12,861,632	15,159,085	10,153,064	78,698,557	19,970,971
Deposits with Treasurer, and in Transit	343,260	11,000	63,960	30,000	6,000	5,000	260,000
Revolving and Change Funds	165,278,288	92,912	12,995,392	15,189,085	18,157,064	78,703,532	20,230,971
Total Cash	449,576,576	195,831	25,921,024	30,378,145	28,316,124	157,407,089	40,461,942
Accounts Receivable	14,599,674	—	291,316	6,397,341	1,611,908	3,080,814	3,218,295
Revenues Accrued and Other Receivables	594,823	—	—	123,760	9,459	262,506	199,000
Less Allowance for Doubtful Receivables	—	—	—	—	—	—	—
Accounts Receivable, Net	14,004,851	—	291,316	6,273,581	1,602,459	2,818,310	3,019,295
Federal and Other Grants Receivable Subject to Approval	79,079,793	—	75,350,021	—	—	3,729,772	—
Less Reserve for Unapproved Grants	(79,079,793)	—	(75,350,021)	—	—	(3,729,772)	—
Federal and Other Grants Receivable, Net	—	—	—	—	—	—	—
Federal Grant Advances	14,759,364	—	14,759,364	—	—	—	—
Interfund Accounts Receivable	1,172,102	33	290,688	37,842	788,252	—	55,287
Due from General City and County	—	603	16,600	113,683	5,800,002	365,589	—
Due from Public Service Enterprises (Contra)	7,468,584	636	307,288	151,525	6,388,259	365,589	—
Total Interfund Accounts Receivable	—	—	—	—	—	—	—
Deferred Charges	2,692,783	—	754,312	708,792	92,778	—	57,698
Prepaid and Supplies	1,450,266	—	47,532	496,376	36,732	—	409,203
Total Deferred Charges	3,273,485	2,936	781,822	1,205,168	149,510	—	587,901
Totals	\$845,663,475	\$131,643	\$46,735,161	\$184,693,339	\$221,997,632	\$176,391,202	\$176,391,202

CITY AND COUNTY OF SAN FRANCISCO
PUBLIC SERVICE ENTERPRISES
COMBINED PROPRIETARY BALANCE SHEET

JUNE 30, 1974

EXHIBIT J
Page 2 of 2

LIABILITIES

	Total	Public Utilities Commission (Unaudited)	Municipal Retirement Fund San Francisco	San Francisco Department	Health Services Project	San Francisco Airport	San Francisco General	Port San Francisco
Bonded Debt								
Maturing Within One Year	\$ 18,664,000	\$ 5,582	\$ 1,424,114	\$ 2,941,371	\$ 6,773,629	\$ 7,470,000	\$ 1,479,000	
Maturing Subsequent to June 30, 1975	6,508,000	22,976	6,582,851	33,235,112	80,382,887	81,423,000	80,056,000	
Total	273,870,000			36,480,484	67,159,516	88,705,000	81,525,000	
Matured Bonds not Presented for Payment	24,000			3,000	21,000			
Total Bonded Debt	221,894,000			36,483,484	67,180,516	88,705,000	81,525,000	
Bond Interest								
Accrued But Not Due	3,097,376			43,918	1,200,971	1,405,996	446,491	
Matured Coupons not Presented for Payment	19,294				19,294			
Total Bond Interest	3,116,670			43,918	1,220,265	1,405,996	446,491	
Accounts Payable and Commitments								
Accounts Payable	8,908,559	\$ 5,582	\$ 1,424,114	1,219,560	1,234,645	2,280,973	2,743,785	
Accounts Payable and Payroll Deductions	1,518,870	22,976	6,582,851	83,868,265	484,487	7,424,016	1,479,000	
Deposits and Construction Advances	1,107,870			943,964	70,798	84,489	210,461	
Accrued Rental of Leased Equipment	6,606,637		6,606,637					
Total Accounts Payable and Commitments	24,822,863	28,558	12,413,602	3,036,823	1,709,635	3,085,416	6,351,827	
Interfund Accounts Payable								
Due to General City and County	25,089,603	43,397	1,477,504	478,583	116,103	22,974,016	359,124	
Due to Public Service Enterprises (Contra)	6,305,395	22,265	38,633	5,789,112	43,321	32,838		
Total Interfund Accounts Payable	31,394,998	65,662	1,516,137	6,267,755	159,424	23,006,874	359,124	
Deferred Credits	1,067,082	271					638,038	
Reserves								
Reserve for Accident Claims	8,254,137			75,000	15,000			
Other Reserves	683,128	1,000						
Total Reserves	8,936,265	1,000		75,000	15,000			
Surplus (Exhibit K)	502,428,597	36,132	23,940,137	138,128,357	151,772,790	99,541,174	89,069,987	
Totals	\$845,663,475	\$131,643	\$46,735,161	\$184,605,339	\$221,997,632	\$216,372,498	\$176,391,202	

NOTE: Surplus at July 1, 1973 has been restated in accordance with separate reports for the Port and the Airport.

NOTE: Surplus at July 1, 1973 has been restated in accordance with separate reports for the Port and the Airport.

CITY AND COUNTY OF SAN FRANCISCO
PUBLIC SERVICE ENTERPRISES
NOTES TO SUPPLEMENTARY INFORMATION

INTERFUND RECEIVABLES AND PAYABLES

1. Reclassifications

Various receivables and/or payables of the Water Department and Hetch Hetchy have been reclassified from those presented in the individual and separate accountant's reports. The reclassifications were necessary to correct errors in distinguishing between general city and county departments and public service enterprises.

2. Time Differences

The combined reclassified amount due to public service enterprises exceeds the combined amount due from public service agencies by \$8,913. This is the net result of a number of instances where one department has accrued a revenue or an expense and another department has failed to do so at the June 30 closing.

REFERENCE NOTE

Attention is directed to the audit report which we submitted for the Port of San Francisco, and to the audit reports submitted by other certified public accountants and included in the Annual Report of the Controller in respect to other contingent liabilities and other notes which accompany these financial statements.



San Francisco Water Department

AND

HETCH HETCHY WATER SUPPLY AND POWER PROJECT



REPORT ON EXAMINATION OF ACCOUNTS

YEAR ENDED JUNE 30, 1974

JOHN F. FORBES & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

MEMBER OF THE
AMERICAN ORDER OF C.P.A. FIRMS
WITH AFFILIATIONS
THROUGHOUT THE WORLD

ONE ELEVEN SUTTER STREET
SAN FRANCISCO 94104

REPORT OF CERTIFIED PUBLIC ACCOUNTANTS

The Honorable Nathan B. Cooper, Controller,
City and County of San Francisco,
San Francisco, California:

We have examined the combined balance sheet of the San Francisco Water Department and Hetch Hetchy Project as of June 30, 1974, and the related combined statements of income and net capital investment and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the statements referred to above present fairly the financial position of the San Francisco Water Department and Hetch Hetchy Project at June 30, 1974, and results of their operations and changes in financial position for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

John F. Forbes & Company

San Francisco, California

October 8, 1974

CITY AND COUNTY OF SAN FRANCISCO

WATER DEPARTMENT AND HETCH HETCHY PROJECT

COMBINED BALANCE SHEET, JUNE 30, 1974 AND 1973

A S S E T S		1974	1973	L I A B I L I T I E S A N D N E T C A P I T A L I N V E S T M E N T		1974	1973
PROPERTY, PLANT, AND EQUIPMENT (Note 1):				BONDED DEBT (Note 3):			
Utility plant in service:				Matured bonds not presented for payment.....		\$ 24,000	\$ 29,000
Water rights and other intangible assets		\$ 56,157,390	\$ 5,958,543	Maturing within one year.....		9,775,000	9,465,000
Tangible plant.....		435,770,783	435,083,663	Maturing after one year.....		93,925,000	98,640,000
Utility plant not in service -				Total bonded debt.....		103,664,000	108,134,000
Tangible plant.....		522,389	655,030	BOND INTEREST PAYABLE (Note 3):			
Other physical property.....		409,634	409,634	Matured coupons not presented for payment.....		19,294	26,211
Less accumulated depreciation.....		492,860,196	442,106,870	Due July 1, 1974, 1973.....		133,607	189,514
Construction work in progress.....		146,332,183	143,298,884	Accrued due subsequent to July 1, 1974, 1973.....		1,111,282	1,123,457
Property, plant, and equipment,		346,528,013	300,807,986	Total bond interest payable.....		1,264,183	1,332,382
net.....		10,187,750	55,664,152	ACCOUNTS PAYABLE:			
		356,715,763	356,472,138	Marrents outstanding and payroll deductions			
CASH:				Payable.....		226,040	560,891
On deposit with Treasurer.....		33,312,149	30,332,753	Accounts payable.....		2,454,205	2,564,924
Revolving funds.....		34,000	34,000	Accrued payroll.....		1,051,463	806,382
Total cash.....		33,346,149	30,366,753	Retained percentages due contractors.....		550,104	237,944
ACCOUNTS RECEIVABLE (Note 2):				Total accounts payable.....		4,281,802	4,170,141
Consumers' accounts.....		3,681,658	3,610,834	INTERFUND ACCOUNTS PAYABLE:			
Land condemnation proceedings.....		3,803,806		General city departments and funds.....		594,800	324,497
Rentals, claims, and miscellaneous.....		523,785	432,659	Other public service departments.....		16,600	16,600
Less allowance for doubtful accounts		8,009,249	4,043,693	Total interfund accounts payable.....		594,800	341,097
(Note 2).....		133,319	401,470	DEPOSITS AND CONSTRUCTION ADVANCES.....		464,658	415,081
Accounts receivable, net.....		7,875,930	3,642,223	RESERVES AND DEFERRED CREDITS:			
INTERFUND ACCOUNTS RECEIVABLE:				Deposits received on land condemnation			
General city departments and funds.....		848,359	1,007,206	Proceedings (Note 2).....			3,500,000
Other public service departments.....		59,044	58,408	Injuries and damage reserve (Note 6).....		90,000	90,000
Total interfund accounts				Total reserves and deferred credits.....		90,000	3,590,000
receivable.....		907,403	1,065,614	NET CAPITAL INVESTMENT.....		289,841,147	274,938,148
OTHER ASSETS:							
Materials and supplies (Note 1).....		801,570	727,933				
Unbilled work orders and deposits.....		523,775	653,188				
Total other assets.....		1,325,345	1,381,121				
		\$400,200,590	\$392,927,849			\$400,200,590	\$392,927,849

CITY AND COUNTY OF SAN FRANCISCO

WATER DEPARTMENT AND HETCH HETCHY PROJECT

COMBINED STATEMENT OF INCOME AND NET CAPITAL INVESTMENT
YEARS ENDED JUNE 30, 1974 AND 1973

	1974	1973
OPERATING REVENUES (Note 1):		
Water sales.....	\$ 26,924,705	\$ 26,759,102
Electrical energy sales.....	14,104,677	14,635,098
	<u>41,029,382</u>	<u>41,394,200</u>
OPERATING EXPENSES (Notes 1 and 5):		
Purchases of electrical energy.....	447,270	2,333,464
Production.....	1,404,263	1,259,076
Source of supply.....	1,483,536	1,389,944
Pumping.....	637,183	555,439
Water treatment.....	1,420,552	1,298,878
Transmission and distribution.....	7,455,696	8,014,056
Commercial (customers' accounts and sales expense).....	1,086,017	1,059,948
Administration and general (Note 1).....	7,540,048	6,794,651
Property taxes (Note 1).....	1,988,261	2,003,657
Depreciation (Note 1).....	7,619,058	6,606,366
	<u>31,081,884</u>	<u>31,315,479</u>
OPERATING INCOME.....	<u>9,947,498</u>	<u>10,078,721</u>
OTHER INCOME:		
Rentals received (including crop sales)..	787,308	940,710
Interest earned.....	493,913	159,105
Miscellaneous.....	825,780	1,091,956
	<u>2,107,001</u>	<u>2,191,771</u>
OTHER DEDUCTIONS:		
Interest on bonded debt.....	3,641,329	2,207,446
Agricultural division, rental and crop expenses.....	65,395	82,264
Power plant and city overhead lines expense.....	1,007,057	1,025,262
Adjustment resulting from property appraisal, net (Note 1).....	464,582	
Miscellaneous.....	315,569	109,941
	<u>5,493,932</u>	<u>3,424,913</u>
INCOME BEFORE EXTRAORDINARY ITEM (Forward). \$	<u>6,560,567</u>	<u>8,845,579</u>

(Continued) - 1.

CITY AND COUNTY OF SAN FRANCISCO
WATER DEPARTMENT AND HETCH HETCHY PROJECT
COMBINED STATEMENT OF INCOME AND NET CAPITAL INVESTMENT, ETC.

	1974	1973
INCOME BEFORE EXTRAORDINARY ITEM (Forward). \$	6,560,567	\$ 8,845,579
GAINS ON LAND CONDEMNATION PROCEEDINGS (Note 2).....	8,342,432	
NET INCOME.....	14,902,999	8,845,579
NET CAPITAL INVESTMENT:		
Balance, beginning of year.....	274,938,148	266,092,569
Balance, end of year.....	<u>\$289,841,147</u>	<u>\$274,938,148</u>

See notes to financial statements.

(Concluded) - 2.

CITY AND COUNTY OF SAN FRANCISCO

WATER DEPARTMENT AND HETCH HETCHY PROJECT

COMBINED STATEMENT OF CHANGES IN FINANCIAL POSITION
YEARS ENDED JUNE 30, 1974 AND 1973

	1974	1973
SOURCE OF CASH:		
Operations:		
Net income before extraordinary item.....	\$ 6,560,567	\$ 8,845,579
Add items which did not reduce cash:		
Depreciation (including \$113,703 in 1974 and \$90,525 in 1973 of automobile depreciation allocated to other expense categories) (Note 1)...	7,732,761	6,696,891
Adjustment resulting from property appraisal.....	464,582	
	<u>14,757,910</u>	<u>15,542,470</u>
Extraordinary item:		
Land condemnation proceedings:		
Proceeds.....	8,445,644	
Receivable.....	(3,803,806)	
Deposit received in prior year.....	(3,500,000)	
Changes in assets and liabilities other than cash, which are sources (applications) of cash:		
(Increase) decrease in receivables.....	(429,901)	459,275
Increase in interfund accounts payable.....	253,703	67,309
(Increase) decrease in interfund accounts receivable.....	158,211	(704,562)
Increase (decrease) in other assets and liabilities, net.....	62,238	(123,283)
Cash provided from operations.....	<u>15,943,999</u>	<u>15,241,209</u>
Proceeds from sales of bonds:		
1972 Municipal Water Supply System Improvement Bonds, Series A.....	5,000,000	
1951 Municipal Water System Bonds, Series K.....		1,480,000
Increase in deposits and construction advances.....	<u>49,577</u>	<u>39,868</u>
Forward.....	\$20,993,576	\$16,761,077

(Continued) - 1.

CITY AND COUNTY OF SAN FRANCISCO
 WATER DEPARTMENT AND HETCH HETCHY PROJECT
 COMBINED STATEMENT OF CHANGES IN FINANCIAL POSITION, ETC.

	1974	1973
SOURCE OF CASH (Forward).....	\$20,993,576	\$16,761,077
APPLICATION OF CASH:		
Net additions to property, plant, and equipment (including construction work in progress).....	8,544,180	12,173,626
Payments on bonded debt.....	9,470,000	7,833,000
	<u>18,014,180</u>	<u>20,006,626</u>
INCREASE (DECREASE) IN CASH.....	2,979,396	(3,245,549)
CASH, BEGINNING OF YEAR.....	<u>30,366,753</u>	<u>33,612,302</u>
CASH, END OF YEAR.....	<u>\$33,346,149</u>	<u>\$30,366,753</u>

See notes to financial statements.

(Concluded) - 2.

CITY AND COUNTY OF SAN FRANCISCO

WATER DEPARTMENT AND HETCH HETCHY PROJECT

NOTES TO FINANCIAL STATEMENTS, JUNE 30, 1974

NOTE:

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Combined Financial Statements

The financial statements, as provided by the Charter of the City and County of San Francisco, reflect the combined statements of the Water Department and Hetch Hetchy Project. Intrafund water sales, standby charges, receivables, and payables have been eliminated.

Section 3.592 of the Charter of the City and County of San Francisco requires that Hetch Hetchy Project, on completion, be merged with the Water Department. A charter amendment has been approved by the electorate to permit a merger prior to physical completion, upon recommendation by the Public Utilities Commission and approval by the Board of Supervisors by a two-thirds vote. The Public Utilities Commission does not consider it to be in the public interest to merge these departments at this time.

Property, Plant, and Equipment

As provided in the Charter of the City and County of San Francisco, the Public Utilities Commission makes an appraisal every five years of the properties and reviews the estimated remaining lives and undepreciated value. An appraisal of the properties as of June 30, 1973, has recently been completed, resulting in a net adjustment to property accounts (including construction work in progress) in the amount of \$464,582, which amount has been reflected as a charge against income in the statement of income and net capital investment. The remaining property, plant, and equipment are stated substantially at cost. Additions to properties subsequent to June 30, 1973, have been stated at cost. Projects are capitalized when completed. Interest paid on bonded indebtedness is capitalized during the period of construction of major projects. Depreciation for the year ended June 30, 1974 in the amount of \$7,732,761 was based on the June 30, 1973 appraisal.

(Continued) - 1.

CITY AND COUNTY OF SAN FRANCISCO
WATER DEPARTMENT AND HETCH HETCHY PROJECT
NOTES TO FINANCIAL STATEMENTS, JUNE 30, 1974

Depreciation is computed on the straight line method over the estimated useful lives of the assets. A full year's depreciation is taken in the year following acquisition or completion of a project.

Construction in Progress

Construction in progress represents Hetch Hetchy Project and Water Department projects and those contracts awarded outside contractors.

Construction Contracts and Work Orders

Construction contracts and work orders for other departments are recorded under the completed contract method.

Materials and Supplies

Materials and supplies inventories are valued at average cost which is lower than market.

Operating Revenue and Property Tax Expense

Revenues from water and power services furnished to consumers are taken into income when billed. In general, major industrial consumers of water and all consumers of electrical energy are billed monthly. All other customers are billed bimonthly. The billing operation is on a cyclic basis for consumption in the preceding one or two month period.

The combined statement of income includes \$1,513,239 for water delivered without charge to certain San Francisco municipal departments. An equal amount is reflected in administration and general expense for the estimated municipal property tax expense. The amounts were computed in accordance with the Charter of the City and County of San Francisco which provides that the accounts of each utility shall reflect the estimated taxes against property and the revenue of the utility as if it were privately owned and operated.

(Continued) - 2.

9. ACCOUNTS RECEIVABLE

Consumers' Accounts Receivable

Amounts aggregating \$270,953, which previously had been included in consumers' accounts receivable and were applicable to the difference between billings at the normal water rate schedule and payments received therefore under contracts assumed on the acquisition of the Spring Valley Water Company by the Water Department, upon authorization from the City Attorney and approval by the Public Utilities Commission, were charged off during the year against the allowance for doubtful accounts, where such amounts had been provided for in full. In addition, certain consumers have paid, under protest, the normal scheduled rates amounting to \$59,584, which amount has been included in the allowance for doubtful accounts, pending authorization from the City Attorney and approval by the Public Utilities Commission to refund such amount.

Land Condemnation Proceedings

During the year the Water Department reached a settlement with the State of California with respect to certain land condemnation proceedings initiated in 1970. The settlement resulted in proceeds aggregating \$8,715,150. Of this amount \$3,803,806 has been recorded as a receivable at June 30, 1974, and was received in cash subsequent thereto, \$269,506 was attributed to imputed interest income, and \$3,500,000 had been received in cash in 1970 and deferred as a deposit, pending final disposition of the proceedings.

The above land condemnation proceedings resulted in a gain aggregating \$8,342,432, which amount has been reflected as an extraordinary item of the Water Department for the year ended June 30, 1974.

(Continued) - 3.

CITY AND COUNTY OF SAN FRANCISCO
WATER DEPARTMENT AND HETCH HETCHY PROJECT
NOTES TO FINANCIAL STATEMENTS, JUNE 30, 1974

Rentals, Claims, and Miscellaneous

Rentals receivable of the Water Department at June 30, 1974 include receivables in the aggregate amount of approximately \$129,000 due under the terms of leases and permits on the Sunol Valley Golf Course, and which amount was in default by the lessee. Provision has been made in the financial statements for possible loss in the amount of \$21,250 due under terms of the recreational permit. No provision has been provided on the receivable in the amount of approximately \$108,000 as, in the opinion of the management of the Water Department, the amount will be collected under a renegotiated lease, proceedings on which were commenced subsequent to June 30, 1974.

3. BONDED DEBT

In general, the combined bonded debt of \$103,664,000, incurred upon the general faith and credit of the City and County of San Francisco, matures serially in varying annual amounts through 1994. Interest is payable semiannually at rates varying from 1/2% to 6%. Maturities for the succeeding five years are summarized as follows:

<u>Year Ending</u> <u>June 30</u>	<u>Total</u>	<u>Water</u> <u>Department</u>	<u>Hetch Hetchy</u> <u>Project</u>
Matured.....	\$ 24,000	\$ 3,000	\$ 21,000
1975.....	9,715,000	2,941,371	6,773,629
1976.....	9,720,000	2,941,373	6,778,627
1977.....	9,725,000	2,944,799	6,780,201
1978.....	9,725,000	2,944,801	6,780,199
1979.....	8,195,000	2,941,370	5,253,630
Due after 1979 to 1994.....	56,560,000	21,766,770	34,793,230
	<u>\$103,664,000</u>	<u>\$36,483,484</u>	<u>\$67,180,516</u>

(Continued) - 4.

CITY AND COUNTY OF SAN FRANCISCO
 WATER DEPARTMENT AND HETCH HETCHY PROJECT
 NOTES TO FINANCIAL STATEMENTS, JUNE 30, 1974

Details of the approved bond issues as of June 30, 1974 were as follows:

1961 MUNICIPAL WATER SYSTEM BONDS

The entire bond issue of \$115,000,000 had been issued as of June 30, 1973, with \$48,000,000 allocated to the Water Department and \$67,000,000 to Hetch Hetchy Project.

The proceeds from the 1961 bond issue were used for the improvement of the municipal water supply system and for the enlargement of Don Pedro Dam for storage of water allocated to irrigation districts under the Raker Act to augment the storage capacity of the Hetch Hetchy system. The expenditures from this fund to June 30, 1974, were as follows:

	<u>Total</u>	<u>Water Department</u>	<u>Hetch Hetchy Project</u>
Projects completed..	\$124,758,432	\$54,103,194	\$70,655,238
Equipment.....	181,787	152,811	28,976
Included in utility plant in service..	124,940,219	54,256,005	70,684,214
Construction in progress.....	447,674	231,235	216,439
	125,387,893	54,487,240	70,900,653
Less interest capitalized.....	14,808,754	3,807,339	11,001,415
Total expenditures from proceeds of bonds sold.....	<u>\$110,579,139</u>	<u>\$50,679,901</u>	<u>\$59,899,238</u>

Approximately \$5,400,000 of the bond funds originally allocated to Hetch Hetchy Project have been transferred to the Water Department.

(Continued) - 5.

CITY AND COUNTY OF SAN FRANCISCO
WATER DEPARTMENT AND HETCH HETCHY PROJECT
NOTES TO FINANCIAL STATEMENTS, JUNE 30, 1974

1955 HETCH HETCHY POWER BONDS

The proceeds from the 1955 bond issue were used to pay the cost of planning, designing, construction and completion of two power plants, Cherry and Canyon projects, located in Tuolumne County.

The entire bond issue of \$54,000,000 was sold and project costs to June 30, 1974, paid from the bond issue, are summarized as follows:

Cherry Project.....	\$31,810,802
Canyon Project.....	27,272,114
Equipment.....	<u>50,953</u>
Included in utility plant in service...	59,133,869
Less interest capitalized.....	<u>7,658,130</u>
Total expenditures from proceeds of bonds sold.....	<u>\$51,475,739</u>

1972 MUNICIPAL WATER SUPPLY SYSTEM IMPROVEMENT BONDS

These bonds have been authorized for an aggregate amount of \$39,000,000. During the year, \$5,000,000 of these bonds were sold. The proceeds are being used for the improvement of the municipal water supply system and the enlargement of the Sunol water treatment plant and Calaveras Dam. The expenditures from this fund to June 30, 1974, were as follows:

Construction in progress.....	\$778,043
Less interest capitalized.....	<u>38,294</u>
Total expenditures from proceeds of bonds sold.....	<u>\$739,749</u>

5. PENSION PLAN

The Water Department and Hetch Hetchy Project, as part of the City and County of San Francisco, participate in a compulsory contributory retirement plan for full time employees, integrated with Social Security benefits. Pension costs for the year were approximately \$1,609,415.

(Continued) - 6.

CITY AND COUNTY OF SAN FRANCISCO
WATER DEPARTMENT AND HETCH HETCHY PROJECT
NOTES TO FINANCIAL STATEMENTS, JUNE 30, 1974

6. COMMITMENTS AND CONTINGENT LIABILITIES

Commitments for materials and services not received at
June 30, 1974 were as follows:

Water Department.....	\$11,323,486
Hetch Hetchy Project.....	30,844,439
	<u>\$42,167,925</u>

The above amount includes work to be completed on work in
progress for which contracts have been awarded.

The Water Department has been charged with the responsibility
of collecting the sewer service charge, industrial waste
charge, and utility users tax for the taxing authorities of
the City and County of San Francisco. The Department
includes this charge with their billings to consumers;
however, no liability exists until monies are received.
At June 30, 1974, these charges outstanding were \$669,595
which amount is not reflected in the financial statements.

The Water Department and Hetch Hetchy Project were contingently
liable in connection with various property damage, personal
injury, and other matters at June 30, 1974. According to
the City Attorney, the claims pending approximated \$1,017,000
for the Water Department and \$100,000 for Hetch Hetchy Project.
The actual total liability is not ascertainable at this time.
The City Attorney estimates that the ultimate litigated
claims should not exceed \$450,000 for the Water Department
and \$100,000 for Hetch Hetchy Project.

Major types of insurance risks are placed with independent
insurance carriers; however, the Water Department and
Hetch Hetchy Project act as self-insurers against losses
from workmen's compensation claims and certain other lia-
bility and property casualty losses. Injury and damage
reserves of \$75,000 for the Water Department and \$15,000
for Hetch Hetchy Project have been provided for in the
accompanying financial statements.

7. RECLASSIFICATION

For comparative purposes, certain items on the 1973 financial
statements have been regrouped.

(Concluded) - 7.

JOHN F. FORBES & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

MEMBER OF THE
AMERICAN GROUP OF C.P.A. FIRMS
WITH AFFILIATIONS
THROUGHOUT THE WORLD

ONE ELEVEN SUTTER STREET
SAN FRANCISCO 94104

REPORT OF CERTIFIED PUBLIC ACCOUNTANTS ON SUPPLEMENTAL INFORMATION

The Honorable Nathan B. Cooper, Controller,
City and County of San Francisco,
San Francisco, California:

The financial statements of the Water Department and Hetch Hetchy Project and our report thereon are presented in the preceding section. The supplemental information presented hereinafter has been subjected to the audit procedures applied in the examination of the financial statements, and in our opinion is fairly stated. However, it is not considered necessary for a fair presentation of the financial position and the results of operations and changes in financial position.

John F. Forbes & Company

San Francisco, California

October 8, 1974

CITY AND COUNTY OF SAN FRANCISCO

WATER DEPARTMENT AND RETIREMENT FUND

COMBINING BALANCE SHEET, JUNE 30, 1974

ASSETS		COMBINED	ELIMINATIONS	WATER DEPARTMENT	WATER DEPARTMENT
PROPERTY, PLANT, AND EQUIPMENT:					
Utility plant in service:		\$ 56,157,390		\$ 3,222,913	\$ 56,934,477
Water rights and other intangible assets.....		435,770,783		214,685,103	221,088,680
Tangible plant.....		522,389		522,389	
Utility plant not in service - Tangible plant.....		409,634			409,634
Other physical property.....		492,860,196		218,427,405	274,432,791
Less accumulated depreciation.....		146,332,183		65,424,968	80,907,215
		346,528,013		153,002,437	193,525,576
Construction work in progress.....		10,187,750		8,212,943	1,974,807
Property, plant, and equipment, net.....		356,715,763		161,215,380	195,500,383
CASH:					
On deposit with Treasurer.....		33,312,149		15,159,085	18,153,064
Revolving funds.....		34,000		30,000	4,000
Total cash.....		33,346,149		15,189,085	18,157,064
ACCOUNTS RECEIVABLE:					
Consumers' accounts.....		3,681,658		2,159,053	1,522,605
Land condemnation proceedings.....		3,803,806		3,803,806	
Rentals, claims, and miscellaneous.....		523,785		434,482	89,303
Less allowance for doubtful accounts.....		8,009,249		6,397,341	1,611,908
Accounts receivable, net.....		133,319		123,760	9,559
		7,875,930		6,273,581	1,602,349
INTERFUND ACCOUNTS RECEIVABLE:					
General city departments and funds.....		848,359		49,172	799,187
Other public service departments.....		59,044	\$5,832,381	102,353	5,789,072
Total interfund accounts receivable.....		907,403	5,832,381	151,525	6,588,259
OTHER ASSETS:					
Materials and supplies.....		801,570		708,792	92,778
Unbilled work orders and deposits.....		553,775		496,976	56,799
Total other assets.....		1,355,345		1,205,768	149,577
		\$400,200,590	\$5,832,381	\$184,035,339	\$221,997,632

CITY AND COUNTY OF SAN FRANCISCO
WATER DEPARTMENT AND HETCH HETCHY PROJECT
COMBINING BALANCE SHEET, JUNE 30, 1974

NET CAPITAL INVESTMENT

COMBINED ELIMINATIONS WATER HETCH HETCHY
DEPARTMENT PROJECT

BONDED DEBT:

Matured bonds not presented for payment.....	\$	24,000	\$	3,000	\$	21,000
Maturing within one year.....		9,715,000		2,941,371		6,773,629
Maturing after one year.....		93,925,000		33,539,113		60,385,887
Total bonded debt.....		103,664,000		36,483,484		67,180,516

BOND INTEREST PAYABLE:

Matured coupons not presented for payment.....		19,294				19,294
Due July 1, 1974.....		133,607				133,607
Accrued due subsequent to July 1, 1974.....		1,111,282		43,918		1,067,364
Total bond interest payable.....		1,264,183		43,918		1,220,265

ACCOUNTS PAYABLE:

Warrants outstanding and payroll deductions payable.....		226,040		133,947		92,093
Accounts payable.....		2,454,205		1,219,560		1,234,645
Accrued payroll.....		1,051,453		739,354		312,099
Retained percentages due contractors.....		550,104		524,286		25,818
Total accounts payable.....		4,281,802		2,617,147		1,664,655

INTERFUND ACCOUNTS PAYABLE:

General city departments and funds.....		594,800		478,683		116,117
Other public service departments.....				5,789,072		43,309
Total interfund accounts payable.....		594,800		6,267,755		159,426

DEPOSITS AND CONSTRUCTION ADVANCES:

RESERVE FOR INJURIES AND DAMAGES.....		464,658		419,678		44,980
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NET CAPITAL INVESTMENT.....

		90,000		75,000		15,000
		289,841,147		138,128,357		151,712,790
		\$400,200,590		\$5,832,381		\$221,997,632

CITY AND COUNTY OF SAN FRANCISCO

WATER DEPARTMENT AND HETCH HETCHY PROJECT

COMBINED STATEMENT OF INCOME AND NET CAPITAL INVESTMENT
YEAR ENDED JUNE 30, 1974

	COMBINED	ELIMINATIONS	WATER DEPARTMENT	HETCH HETCHY PROJECT
OPERATING REVENUES:				
Water sales.....	\$ 26,924,705	\$6,000,000	\$ 26,924,705	\$ 6,000,000
Electrical energy sales.....	14,104,677			14,104,677
	<u>41,029,382</u>	<u>6,000,000</u>	<u>26,924,705</u>	<u>20,104,677</u>
OPERATING EXPENSES:				
Sluiceway charges and purchases of water.....	447,270	6,000,000	6,000,000	447,270
Purchases of electrical energy.....	1,404,263			1,404,263
Production.....	1,483,536		1,483,536	
Source of supply.....	637,183		637,183	
Pumping.....	1,420,552		1,420,552	
Water treatment.....	7,455,696		4,426,161	3,029,535
Transmission and distribution.....	1,086,017		1,086,017	
Commercial (customers' accounts and sales expense).....	5,424,158		5,424,158	
Administration and general.....	1,988,261		1,517,518	470,743
Property taxes.....	7,619,058		3,492,844	4,126,214
Depreciation.....	31,081,884	6,000,000	25,481,969	11,593,915
	<u>9,947,498</u>		<u>1,436,736</u>	<u>8,510,762</u>
OPERATING INCOME.....				
OTHER INCOME:				
Rentals received (including crop sales).....	787,308		767,704	19,604
Interest earned.....	493,913		493,913	
Miscellaneous.....	825,780		616,018	209,762
	<u>2,107,001</u>		<u>1,877,635</u>	<u>229,366</u>
OTHER DEDUCTIONS:				
Interest on bonded debt.....	3,641,329		1,180,179	2,461,150
Agricultural division, rental and crop expenses.....	65,395		65,395	
Power plant and city overhead lines expense.....	1,007,057			1,007,057
Adjustments resulting from property appraisal, net.....	464,582		48,378	416,204
Miscellaneous.....	315,569		275,856	39,713
	<u>5,493,932</u>		<u>1,569,808</u>	<u>3,924,124</u>
INCOME BEFORE EXTRAORDINARY ITEM.....				
	6,560,567		1,744,563	4,816,004
GAINS ON LAND CONDEMNATION PROCEEDINGS.....				
	8,342,432		8,342,432	
NET INCOME.....				
	<u>14,902,999</u>		<u>10,086,995</u>	<u>4,816,004</u>
NET CAPITAL INVESTMENT:				
Balance, June 30, 1973.....	274,938,148		128,041,362	146,896,786
Balance, June 30, 1974.....	<u>4289,841,147</u>		<u>\$138,128,357</u>	<u>\$151,712,790</u>

WATER DEPARTMENT AND HETCH HETCHY PROJECT

COMBINING STATEMENT OF CHANGES IN FINANCIAL POSITION
YEAR ENDED JUNE 30, 1974

	COMBINED	ELIMINATIONS	WATER DEPARTMENT	HETCH HETCHY PROJECT
SOURCE OF CASH:				
Operations:				
Net income before extraordinary item.....	\$ 6,560,567		\$ 1,744,563	\$ 4,816,004
Add items which did not reduce cash:				
Depreciation.....	7,732,761		3,577,615	4,155,146
Adjustment resulting from property appraisal.....	464,582		48,378	416,204
	14,757,910		5,370,556	9,387,354
Extraordinary item:				
Land condemnation proceedings:				
Proceeds.....	8,445,644		8,445,644	
Receivable.....	(3,803,806)		(3,803,806)	
Deposit received in prior year.....	(3,500,000)		(3,500,000)	
Changes in assets and liabilities other than cash, which are sources (applications) of cash:				
(Increase) in receivables.....	(429,901)		(22,509)	(407,392)
Increase in interfund payables.....	253,703	\$ 1,988	208,309	47,382
Decrease in interfund receivables.....	158,211	(1,988)	55,516	100,707
Increase (decrease) in other assets and liabilities, net	62,238		(334,855)	397,093
	15,943,999		6,418,855	9,525,144
Cash provided from operations.....				
Proceeds from sale of 1972 Municipal Water Supply System	5,000,000		5,000,000	
Improvement Bonds, Series A.....	49,577		25,386	24,191
Increase in deposits and construction advances.....	20,993,576		11,444,241	9,549,335
APPLICATION OF CASH:				
Net additions to property, plant, and equipment (including construction work in progress).....	8,544,180		7,070,938	1,473,242
Payments on bonded debt.....	9,470,000		2,691,376	6,778,624
	18,014,180		9,762,314	8,251,866
INCREASE IN CASH.....	2,979,396		1,681,927	1,297,469
CASH, JULY 1, 1973.....	30,366,753		13,507,158	16,859,595
CASH, JUNE 30, 1974.....	\$33,346,149		\$15,189,085	\$18,157,064

CITY AND COUNTY OF SAN FRANCISCO

WATER DEPARTMENT AND HETCH HETCHY PROJECT

COMBINING SUMMARY OF CONSTRUCTION WORK IN PROGRESS,
JUNE 30, 1974

	EXPENDED TO JUNE 30, 1974	ESTIMATED AMOUNT NEEDED TO COMPLETE	ESTIMATED YEAR OF COMPLETION
WATER DEPARTMENT:			
Design, plans and specifications, and construction of balancing reservoir near Crystal Springs			
by-pass tunnel.....	\$ 4,752,720	\$ 869,000	1975
Crystal Springs pump station renovation.....	14,820	500,000	1976
Enlarge Sunol Valley filtration plant.....	831,755	3,925,226	1975
Calaveras Dam repair.....	254,955	1,568,900	1975
Dumbarton Bridge repair.....	262,755	23,000	1974
San Andreas Pipeline No. 3...	157,550	6,100,000	1976
Balboa Reservoir.....	681,089	4,800,000	1976
Construction and installation of Cathodic Protection System.....	122,708	N11	1974
Relocate and lay mains.....	493,071	643,474	1974
Excavation and repaving for water service trenches.....	189,706	351,566	1974
Cement mortar line.....	254,229	210,000	1974
Construct and install protective handrails and relays at San Andreas Plant.....	3,457	22,500	1974
Equipment.....	21,227	30,000	1974
Other miscellaneous projects.	172,901	Undeterminable	1974-1975
Total Water Department....	<u>8,212,943</u>		
HETCH HETCHY PROJECT:			
Municipal Railway power improvement program projects.....	1,334,915	29,312,992	1974-1977
Install spillway drum gates at Moccasin Dam.....	154,284	525,000	1975

(Continued) - 1.

CITY AND COUNTY OF SAN FRANCISCO

WATER DEPARTMENT AND HETCH HETCHY PROJECT

COMBINING SUMMARY OF CONSTRUCTION WORK IN PROGRESS, JUNE 30, 1974

	EXPENDED TO JUNE 30, 1974	ESTIMATED AMOUNT NEEDED TO COMPLETE	ESTIMATED YEAR OF COMPLETION
HETCH HETCHY PROJECT			
(Continued):			
Motorize valves, San			
Joaquin pipelines.....	\$ 61,203	\$ 2,000	1975
Moccasin Sewage Treatment			
Plant.....	51,443	150,000	1975
Interior lighting system at			
O'Shaughnessy Dam.....	2,766	55,000	1974
Repair and paint various			
buildings.....	1,673	35,000	1975
Repair and resurface various			
roads.....	57,355	Nil	1974
Repaint and repair trolley			
poles.....	35,884	1,000	1974
Moccasin Penstock valve			
house.....	6,281	63,000	1975
Additional projects and			
equipment for Don Pedro			
Dam.....	216,439	Undeterminable	
Other miscellaneous projects.	<u>52,564</u>	81,000	1974-1975
Total Hetch Hetchy			
Project.....	<u>1,974,807</u>		
COMBINED TOTAL.....	<u>\$10,187,750</u>		

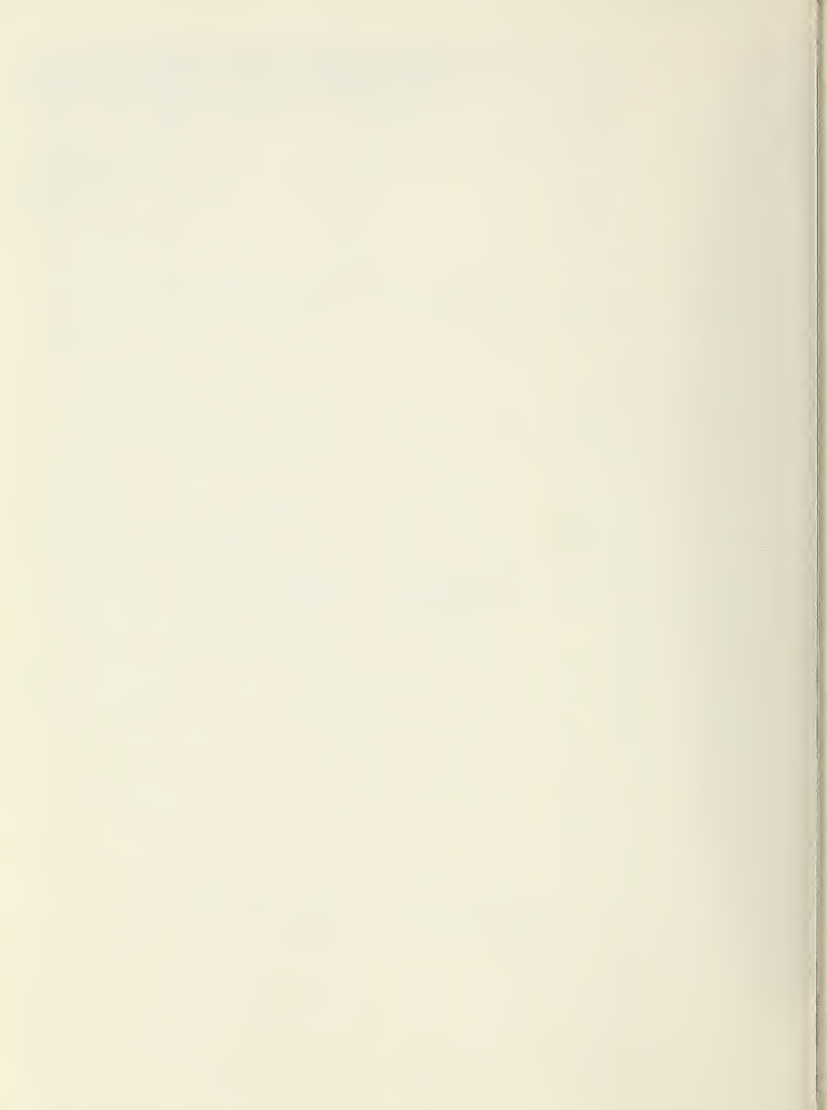
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CITY AND COUNTY OF SAN FRANCISCO

WATER DEPARTMENT AND HETCH HETCHY PROJECT

COMBINING SUMMARY OF BONDED INDEBTEDNESS, JUNE 30, 1974

DESCRIPTION	DATE OF ISSUE	INTEREST RATE	TOTAL	WATER DEPARTMENT	HETCH HETCHY PROJECT
UNMATURED:					
Hetch Hetchy Water.....	July 1, 1928	4-1/2%	\$ 2,400,000		\$ 2,400,000
1955 Hetch Hetchy Power:					
Series B.....	November 1, 1957	3%	2,620,000		2,620,000
Series C.....	May 1, 1958	2-1/2-2-3/4%	1,080,000		1,080,000
Series D.....	December 1, 1958	3%	525,000		525,000
Series E.....	June 1, 1959	3-3/4%	525,000		525,000
Series F.....	February 1, 1960	1-6%	1,350,000		1,350,000
Series G.....	October 1, 1960	1-3-1/4%	5,250,000		5,250,000
Series H.....	September 1, 1964	1/4-6%	2,580,000		2,580,000
			13,930,000		13,930,000
1961 Municipal Water System:					
Series A.....	March 1, 1962	2-1/2-3%	2,820,000	\$ 1,933,672	886,328
Series B.....	April 1, 1963	2-1/4-6%	11,655,000	7,991,833	3,663,167
Series C.....	September 1, 1964	1/4-6%	1,420,000	973,694	446,306
Series D.....	September 1, 1965	2-3/4-6%	4,910,000	3,366,786	1,543,214
Series E.....	November 1, 1966	1/4-6%	11,375,000	7,799,839	3,575,161
Series F.....	August 1, 1967	3-7-5-12%	36,400,000		36,400,000
Series G.....	March 1, 1968	3-5-5-4%	4,085,000	2,801,084	1,283,916
Series H.....	March 1, 1969	4-6-5-4%	2,625,000	1,799,962	825,038
Series I.....	January 1, 1971	3-5-5%	3,640,000	2,495,948	1,144,052
Series J.....	February 1, 1972	4-5-5-25%	1,375,000	1,354,258	620,742
Series K.....	May 1, 1973	4-5-6%	1,405,000	963,408	441,592
			82,310,000	31,480,484	50,829,516
1972 Municipal Water Supply System:					
Series A.....	May 1, 1974	5-6%	5,000,000	5,000,000	
			103,640,000	36,480,484	67,159,516
MATURED.....					
			24,000	3,000	21,000
			\$103,664,000	\$36,483,484	\$67,180,516



Municipal Railway of San Francisco



REPORT ON EXAMINATION OF ACCOUNTS

FOR THE FISCAL YEAR ENDED

JUNE 30, 1974

HURDMAN AND CRANSTOUN

CERTIFIED PUBLIC ACCOUNTANTS · TWO EMBARCADERO CENTER · SAN FRANCISCO, CALIFORNIA 94111

The Honorable Nathan E Cooper
Controller, City and County
of San Francisco
San Francisco, California

We have examined the balance sheets of the San Francisco Municipal Railway as of June 30, 1974 and 1973 and the related statements of loss, net capital investment, and changes in financial position for the years then ended. Our examinations were made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the financial statements identified above present fairly the financial position of the San Francisco Municipal Railway at June 30, 1974 and 1973 and the results of its operations and the changes in its financial position for the years then ended, in conformity with generally accepted accounting principles applied on a consistent basis.

Hurdman and Cranston
Certified Public Accountants

October 3, 1974

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO MUNICIPAL RAILWAY

STATEMENTS OF LOSS

Years Ended June 30, 1974 and 1973

	<u>1974</u>	<u>1973</u>
Revenue from operations:		
Passenger	\$24,682,002	\$24,799,796
Advertising	386,342	385,000
Miscellaneous	<u>130,668</u>	<u>46,191</u>
Total revenue from operations	25,199,012	25,230,987
Expenses:		
Maintenance and repairs - ways and structures	1,317,431	1,119,974
Equipment	4,873,779	4,185,719
Power	1,871,131	1,744,614
Conducting transportation	28,706,664	26,933,980
General and administrative	15,530,767	10,521,273
Payroll taxes	1,769,052	1,428,463
accident claims	3,489,757	3,817,636
Depreciation	2,417,251	2,433,455
Rent or leased equipment	29,339	32,366
Amortization of Transit Demonstration Project	<u>-</u>	<u>64,000</u>
Total expenses	<u>50,005,171</u>	<u>52,281,480</u>
Loss from operations	34,806,159	27,050,493
Interest (income) and expense, net	(1,227,252)	184,048
Other (income) and expense, net	<u>(114,980)</u>	<u>(81,931)</u>
Net loss	<u>\$33,463,927</u>	<u>\$27,152,610</u>

The accompanying notes are an integral
part of the financial statements.

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO MUNICIPAL RAILWAY

STATEMENTS OF NET CAPITAL INVESTMENT

Years Ended June 30, 1974 and 1973

	<u>Contributions Received</u>	<u>Accumulated Deficit</u>	<u>Net Capital Investment</u>
Balance, June 30, 1972	\$175,415,062	(\$166,544,316)	\$ 8,870,746
Contributions received:			
From City and County of San Francisco:			
Tax support	22,336,459	-	22,336,459
Revenue sharing	4,164,605	-	4,164,605
Share of Metropolitan Transportation Commission grant	4,291,059	-	4,291,059
From Federal grants (Note 3)	2,994,591	-	2,994,591
Net loss for the year	<u>-</u>	<u>(27,152,610)</u>	<u>(27,152,610)</u>
Balance, June 30, 1973	209,201,776	(193,696,926)	15,504,850
Contributions received:			
From City and County of San Francisco:			
Tax support	21,950,895	-	21,950,895
Revenue sharing	10,781,028	-	10,781,028
Share of Metropolitan Transportation Commission grant	5,754,788	-	5,754,788
From Federal grants (Note 3)	3,412,503	-	3,412,503
Net loss for the year	<u>-</u>	<u>(33,463,927)</u>	<u>(33,463,927)</u>
Balance, June 30, 1974	<u>\$251,100,990</u>	<u>(\$227,160,853)</u>	<u>\$23,940,137</u>

The accompanying notes are an integral part of the financial statements.

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO MUNICIPAL RAILWAY

STATEMENTS OF CHANGES IN FINANCIAL POSITION

Years Ended June 30, 1974 and 1973

	<u>1974</u>	<u>1973</u>
CASH WAS PROVIDED BY:		
Contributions:		
City and County of San Francisco:		
Tax support	\$21,950,895	\$22,336,459
Revenue sharing	10,781,028	4,164,605
Share of		
Metropolitan		
Transportation		
Commission grant	5,754,788	4,291,059
Federal grants (Note 3)	3,412,503	2,994,591
Increase in accounts payable	5,282,862	1,050,478
Increase in accident claims liability	537,435	21,702
Decrease in prepaids	39,094	41,380
Decrease (increase)		
in accounts receivable	<u>1,347,272</u>	<u>(1,536,997)</u>
Total cash provided	49,105,877	33,363,277
 CASH WAS APPLIED TO:		
Operations:		
Net loss	33,463,927	27,152,610
Add expenses not requiring cash		
depreciation and amortization	<u>2,417,251</u>	<u>2,497,455</u>
Cash absorbed by operations	31,046,676	24,655,155
Property additions	1,633,092	114,187
Federal grant advances to		
San Francisco Municipal Railway		
Improvement Corporation (Note 3)	5,775,589	2,935,979
Increase in Transit Improvement		
Program design and construction		
in progress	2,232,498	30,356
Increase (decrease)		
in materials and supplies	61,528	(67,372)
Decrease in equipment		
lease contract obligations	3,547,390	2,672,509
Decrease (increase)		
in other accrued liabilities	<u>197,053</u>	<u>(229,163)</u>
Total cash applied	<u>44,493,826</u>	<u>30,111,651</u>
Increase in cash	<u>\$ 4,612,051</u>	<u>\$ 3,251,626</u>

The accompanying notes are an integral part of the financial statements.

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO MUNICIPAL RAILWAY

NOTES TO FINANCIAL STATEMENTS

June 30, 1974 and 1973

Note 1 - Accounting Policies

Property,
Plant, and Equipment

Property, plant, and equipment purchased subsequent to June 30, 1938 was stated at cost, except for the Market Street Extension, which is stated at appraised value as of September 30, 1944. Property, plant, and equipment acquired prior to June 30, 1938 are stated at appraised value as of that date. As provided in Section 128 of the Charter of the City and County of San Francisco, an appraisal of property, plant, and equipment is to be made at intervals of 5 years and is to include an inspection of the properties as well as a review of the estimated remaining life and depreciated value of the assets in order to determine reasonable annual depreciation. Depreciation for the years ended June 30, 1974 and 1973 of \$2,417,251 and \$2,433,455, respectively, is based on straight-line rates established in the last appraisals made as of June 30, 1973 and 1968 for equipment still on hand and based on cost for assets acquired since that date. No depreciation is taken in year of acquisition and a yearly amount is taken when an asset is disposed of.

Materials and Supplies

Materials and supplies are generally stated at the lower of average cost or estimated scrap value.

Accident Claims Liability

The Railway's liability for accident claims at June 30, 1974 and 1973 of \$8,164,137 and \$7,626,702, respectively, was estimated by applying the average of the last 5 years' ratios of amounts paid to amounts originally claimed against the balance of claims pending at year end.

CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO MUNICIPAL RAILWAY
NOTES TO FINANCIAL STATEMENTS
June 30, 1974 and 1973

-2-

Note 2 - Transit Equipment Program,
Transit Improvement Program,
System Improvement Program,
and Power Improvement Program

Transit Equipment Program

The City and County of San Francisco entered into an Equipment Lease Agreement, dated as of January 15, 1969, with San Francisco Municipal Railway Improvement Corporation, a nonprofit corporation formed for the purpose of acquiring and leasing to the Railway real and personal property to be used in the operation of the transportation system. As of June 30, 1974, the Improvement Corporation has issued \$21,000,000 in bonds for the purchase of 400 diesel motor coaches and 12 light rail cars. The leases are signed when the bonds are issued; however, lease payments generally do not begin until the equipment is placed in service.

Equipment Leases 1 and 2 cover the 400 diesel motor coaches and Equipment Lease 3 covers 12 light rail cars. Semiannual rental payments under Equipment Leases 1 and 2 commenced on February 1, 1970 and continue until February 1, 1977, at which time the Railway may exercise its option to acquire the diesel motor coaches for \$2. Semiannual rental payments under Equipment Lease 3 will commence on July 15, 1976, if the leased cars have then been delivered and accepted by the Railway. The payments under these leases are sufficient to pay debt service on the bonds issued by the Improvement Corporation as well as taxes, insurance, and administrative costs incurred by the Improvement Corporation.

The United States Department of Transportation approved a Federal grant to assist the Railway to acquire transportation equipment (See Note 3 to the financial statements for details). Under the aforementioned Agreement, dated as of January 15, 1969, the Railway has agreed to advance all funds received under this grant to the Improvement Corporation. In turn, the Improvement Corporation will provide transportation equipment under lease to the Railway.

The bonds issued by the Improvement Corporation are liabilities of the Improvement Corporation only and are not liabilities of the City. The equipment subject to the leases is owned by the Improvement Corporation and not by the Railway, and that equipment may never become the property of the Railway. The only obligation of the Railway with respect to this equipment is for the payment of rent under the leases. In accordance with these facts and legal relationships, the equipment would not constitute an asset of the Railway and interest on the bonds and depreciation of the equipment would not constitute expenses of the Railway.

However, since the terms and conditions of these leases meet the criteria for capitalization, as prescribed under generally accepted accounting principles and Accounting Principles Board Opinion Number 5, Equipment Leases 1 and 2 have been capitalized in these financial statements. Capitalization occurs at the time the equipment is placed in service which is generally when the lease payments commence. The method used in calculating the cost of the equipment and related liability is as follows:

- 1 - The equipment is recorded at its actual cost to the Improvement Corporation. Thereafter, the equipment is depreciated over its estimated useful life under the straight-line method.
- 2 - The related liability is initially equal to the actual cost of the equipment. Reduction of this liability occurs when the Improvement Corporation uses Federal grant monies and/or the lease payments exceed the actual net expenses of the Improvement Corporation.

Transit Improvement Program

The City and County of San Francisco entered into two Facilities Lease Agreements (Numbers 1A and 1B), dated as of December 1, 1971, and a Site Lease Agreement and Facilities Lease Agreement (Number 2) both dated February 1, 1974 with the San Francisco Municipal Railway Improvement Corporation. As of June 30, 1974, the Improvement Corporation has issued \$9,800,000 in bonds for the purchase of rails, a subway signal system, motor coach storage, and maintenance facilities.

Facilities Lease Number 1A covers rails and accessories in sufficient quantity to rerail 34 miles of track throughout the City. The lease term is for a period of 19 years, commencing February 1, 1974. Facilities Lease Number 1B covers a subway signal system. The lease term is for a period of 17 years, commencing February 1, 1977. Both leases contain option to acquire the facilities upon expiration of the leases for \$1 each.

Under the site lease, dated February 1, 1974, the City and County of San Francisco has leased certain real property to the Improvement Corporation on which the Improvement Corporation will construct motor coach storage and maintenance facilities. The site lease is for a period of 20 years, commencing February 1, 1974.

Under the Facilities Lease Agreement (Number 2), dated February 1, 1974, the City and County of San Francisco will lease back the land (under the site lease) and motor coach storage and maintenance facilities from the Improvement Corporation. The lease term is for a period of 19 years, commencing February 1, 1975.

At the end of each facilities lease, the Railway may exercise its option to acquire said facilities for \$1.

The United States Department of Transportation approved a Federal grant to assist the Railway to acquire transit facilities (See Note 3 to the financial statements for details). Under the aforementioned Agreement, dated December 1, 1971, the Railway has agreed to advance all funds received under this grant to the Improvement Corporation. The terms and conditions of this Agreement are substantially the same as the Agreement under the Transit Equipment Program.

The improvements under Facilities Leases Numbers 1A, 1B, and 2 will be capitalized when the facilities are placed in service and in the same manner as the equipment leased under the Transit Equipment Program.

System Improvement Program

The United States Department of Transportation approved a Federal grant during the year ended June 30, 1974 to assist the Railway to acquire additional motor coaches, electric trolley coaches, and subway surface transit cars. The Program is estimated to cost \$26,000,000 of which 80% will be provided under the Federal grant and 20% from local sources (See Note 3 to the financial statements for details).

Power Improvement Program

This Program consists of extensions and improvements for supplying direct current distribution to the Railway and the undergrounding of all power feeder lines. This Program, which is estimated to cost \$30,000,000, will be financed from the following sources:

Federal grant	\$20,000,000
City and County of San Francisco local share furnished by Hetch Hetchy Project	<u>10,000,000</u>
	<u>\$30,000,000</u>

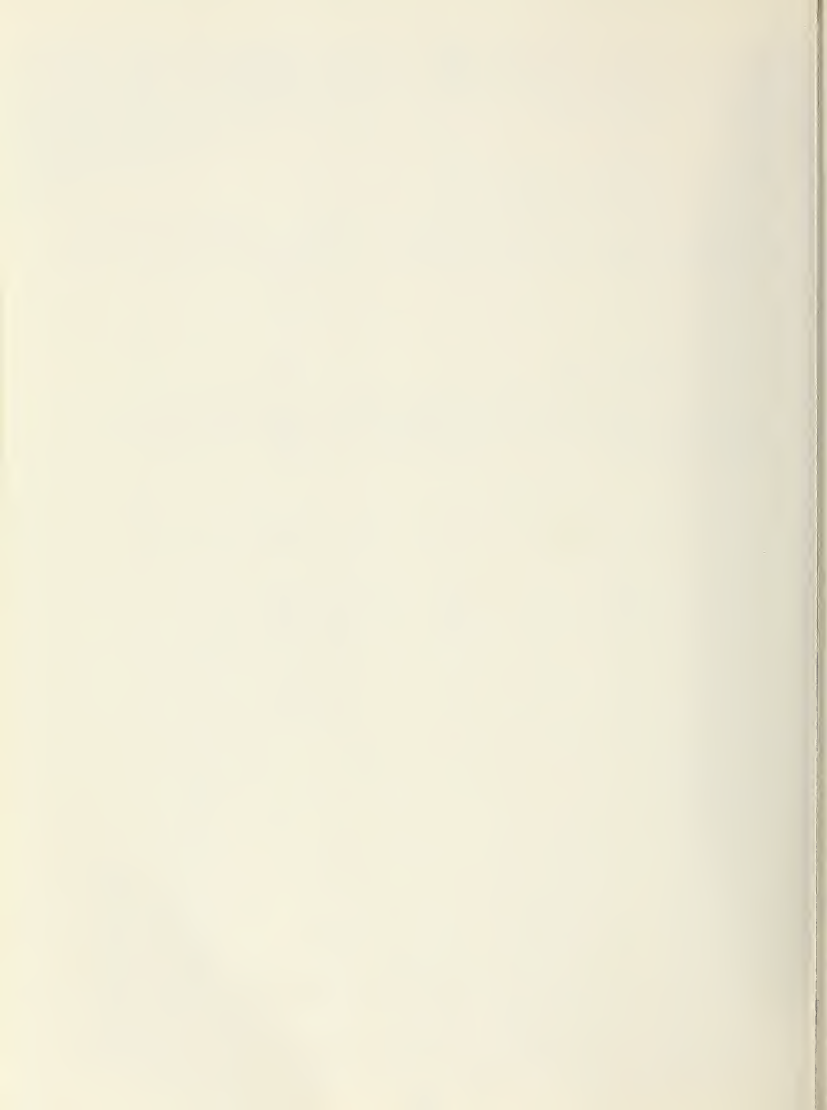
CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO MUNICIPAL RAILWAY
NOTES TO FINANCIAL STATEMENTS
June 30, 1974 and 1973 -7-

Note 4 - Contingent Liabilities
and Commitments

Under the Railway's policy in respect of accident claims, the Railway bears the first \$2,000,000 of each accident. The Railway also acts as self-insurer for workmen's compensation claims.

Note 5 - Pension Plan

The Railway participates in the City and County of San Francisco's compulsory retirement plan. Provisions for the years ended June 30, 1974 and 1973 were \$5,080,011 and \$3,574,275, respectively.



Airport Department

SAN FRANCISCO INTERNATIONAL AIRPORT

San Mateo County



REPORT ON EXAMINATION OF ACCOUNTS

For the Fiscal Year Ended

JUNE 30, 1974

HOOD AND STRONG
CERTIFIED PUBLIC ACCOUNTANTS

555 California Street-Suite 3280, San Francisco, Ca. 94104

TELEPHONE 781-0793

THE HONORABLE JOHN C. FARRELL,
CONTROLLER
City and County of San Francisco
San Francisco, California

We have examined the balance sheet of the AIRPORTS COMMISSION, CITY AND COUNTY OF SAN FRANCISCO, SAN FRANCISCO INTERNATIONAL AIRPORT as of June 30, 1974 and 1973 and the related statements of income, surplus from airport operations and changes in financial position for the years then ended. Our examinations were made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

As of July 1, 1973, the San Francisco International Airport recognized as a firm liability its obligation to repay to the General Fund of the City and County of San Francisco the sum of \$24,388,104 as described in Note 3 to the financial statements. The adjustment to record this firm liability was made by a charge of \$24,388,104 to Surplus from Airport Operations.

In our opinion, the financial statements referred to above present fairly the financial position of the Airports Commission, City and County of San Francisco, San Francisco International Airport at June 30, 1974 and 1973 and the results of its operations and changes in its financial position for the years then ended, in conformity with generally accepted accounting principles applied on a consistent basis after giving effect to the adjustment resulting from the five year fixed assets appraisal as described in Note 2 to the financial statements.

Hood and Strong

November 13, 1974

AIRPORTS COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO INTERNATIONAL AIRPORT
BALANCE SHEET
JUNE 30, 1974 AND 1973

	1974	1973		1974	1973
		(As Restated See Note 2)			(As Restated See Note 2)
CURRENT ASSETS:			LIABILITIES AND SURPLUS		
Cash:			CURRENT LIABILITIES:		
Airport Revenue Fund	\$ 17,066,776	\$ 14,592,723	Accounts payable and other liabilities:		
Accounts receivable:			Outstanding warrants	\$ 662,012	\$ 406,308
Rentals, concessions and other	3,030,123	2,320,836	Accounts payable	689,633	669,792
Prepaid expenses	262,504	248,104	Retained percentage due contractors	82,487	25,856
Less allowance for doubtful			Payroll deductions and payroll payable	60,044	18,876
receivables	<u>2,767,619</u>	<u>2,072,732</u>		<u>1,494,176</u>	<u>1,120,832</u>
	50,691	49,463	Interfund accounts payable:		
Damage claims	<u>2,818,310</u>	<u>2,122,195</u>	General city departments	585,912	433,938
			Public service enterprises	32,858	7,245
Interfund account receivable:				<u>618,770</u>	<u>441,183</u>
Public service enterprise	365,589				
Material and supplies inventory -	57,698	41,712	Bond interest payable - accrued,	1,405,996	1,220,538
at average cost	<u>161,947</u>	<u>157,476</u>	payable after July 1, 1974 and 1973		
Prepaid expenses	<u>20,470,320</u>	<u>16,914,106</u>	Other current liabilities payable from		
Total current assets			Restricted assets	1,515,608	1,454,297
RESTRICTED ASSETS:			Bonded debt maturing within one year	7,470,000	5,675,000
Cash:			Due to the General Fund of the City		
Bond Redemption and Interest Funds	9,368	13,848	and County of San Francisco -		
Special Aviation Fund	5,785	16,785	current portion	2,000,000	2,400
1956 Airport Bond Fund	60,733	60,733	Prepaid rent - current portion	109,674	74,308
1962 Airport Bond Fund	175,654	175,654	Other current liabilities	73,632	
1967 Airport Bond Fund	58,718,852	33,754,028	Total current liabilities	14,689,856	9,988,558
Federal Aviation Administration					
Project	<u>2,667,389</u>	<u>3,329,046</u>	BONDED DEBT MATURING AFTER ONE YEAR		
	61,636,781	35,350,094	Due to the General Fund of the City	81,235,000	56,805,000
Total restricted assets	<u>134,265,397</u>	<u>126,822,620</u>	and County of San Francisco,		
PROPERTY, PLANT AND EQUIPMENT			After one year		
Note 4			PREPAID RENT		
			Contingent liabilities and	20,388,104	589,748
OTHER ASSETS:			commitments	<u>518,364</u>	
Federal grants receivable:			Notes 7, 8		
Subject to approval by various	3,729,772	6,598,479	Notes 3		
agencies	(3,729,772)	(6,598,479)	SURPLUS		
Less reserve against unapproved					
grants	<u>\$216,372,498</u>	<u>\$179,086,820</u>			

The accompanying notes are an integral part of the financial statements.

AIRPORTS COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO INTERNATIONAL AIRPORT
STATEMENT OF INCOME
YEARS ENDED JUNE 30, 1974 AND 1973

		1974	1973 (As Restated See Note 2)
OPERATING REVENUE:			
Aviation revenue	Schedule 2	\$13,743,146	\$10,801,125
Concession revenue	Schedule 3	10,361,830	9,281,649
Sales and services - net	Schedule 4	<u>1,217,642</u>	<u>769,458</u>
		<u>25,322,618</u>	<u>20,852,232</u>
OPERATING EXPENSES:			
Administrative	Schedule 5	2,116,979	1,754,086
Maintenance	Schedule 6	3,689,728	2,295,757
Operating	Schedule 7	5,189,312	5,216,849
Depreciation and amortization		<u>3,961,027</u>	<u>4,358,257</u>
		<u>14,957,046</u>	<u>13,624,949</u>
OPERATING INCOME		<u>10,365,572</u>	<u>7,227,283</u>
OTHER INCOME:			
State of California, Division of Highway - land use income		231,000	
Department of Labor, Manpower Administration Grant		25,140	
Other		<u>58,507</u>	<u>37,897</u>
		<u>314,647</u>	<u>37,897</u>
OTHER DEDUCTIONS:			
Interest expense		1,409,522	888,581
Write off of architectural costs attributed to modification of Airport expansion plans			1,150,000
Other		<u>499,958</u>	<u>461,415</u>
		<u>1,909,480</u>	<u>2,499,996</u>
NET INCOME			\$ <u>4,765,184</u>
NET INCOME BEFORE DISTRIBUTION OF REVENUE FUNDS		\$ 8,770,739	
DISTRIBUTION OF REVENUE FUNDS FOR			
DEBT RETIREMENT:			
Payment of bonded debt	\$5,675,000		
Repayment into General Fund of the City and County of San Francisco	<u>2,000,000</u>	<u>7,675,000</u>	
Balance available for capital expenditures and other revenue fund purposes		<u>\$ 1,095,739</u>	

The accompanying notes are an integral
part of the financial statements.

AIRPORTS COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO INTERNATIONAL AIRPORT
STATEMENT OF SURPLUS
YEARS ENDED JUNE 30, 1974 AND 1973

	Contributions	Surplus from Airport Operations	Total
YEAR ENDED JUNE 30, 1973:			
Balance at beginning of year as previously reported	\$52,269,319	\$ 54,022,380	\$106,291,699
Adjustments resulting from five year fixed assets appraisal Note 2		(955,253)	(955,253)
Balance at beginning of year as restated	52,269,319	53,067,127	105,336,446
Net income		4,765,184	4,765,184
Contributions received:			
Federal government grants	1,599,384		1,599,384
State of California - Special Aviation Fund	2,500		2,500
Balance at end of year	53,871,203	57,832,311	111,703,514
YEAR ENDED JUNE 30, 1974:			
Net income		8,770,739	8,770,739
Contributions received:			
Federal government grants	3,452,203		3,452,203
State of California - Special Aviation Fund	2,800		2,800
United Air Lines - reversion of property to the Airport upon termination of lease at a nominal value of \$1.00 for each property Note 10	22		22
Recognition of amount due to the City and County of San Francisco Note 3		(24,388,104)	(24,388,104)
Balance at end of year	\$57,326,228	\$42,214,946	\$ 99,541,174

The accompanying notes are an integral
part of the financial statements.

CITY AND COUNTY OF SAN FRANCISCO
 SAN FRANCISCO INTERNATIONAL AIRPORT
 STATEMENT OF CHANGES IN FINANCIAL POSITION
 YEARS ENDED JUNE 30, 1974 AND 1973

	1974	1973 (As Restate See Note 2)
WORKING CAPITAL PROVIDED FROM:		
Operations:		
Net income		\$ 4,765,184
Net income before distribution of revenue funds	\$ 8,770,739	
Add (deduct) items not currently involving working capital:		
Depreciation and amortization	3,961,027	4,358,257
Loss on disposition of property and equipment	<u>51,855</u>	
Total provided from operations	12,783,621	9,123,441
Proceeds from issuance of 1967 Airport Bonds, Series E	31,900,000	
Contributions received	<u>3,455,025</u>	<u>1,601,884</u>
	<u>48,138,646</u>	<u>10,725,325</u>

WORKING CAPITAL USED IN:		
Additions to property, plant and equipment	11,455,659	9,594,711
Increase (decrease) in restricted assets	26,286,687	(6,299,796)
Decrease in bonded debt maturing after one year	7,470,000	5,675,000
Decrease in amount due to the General Fund of the City and County of San Francisco, after one year	4,000,000	
Decrease in prepaid rent	<u>71,384</u>	
	<u>49,283,730</u>	<u>8,969,915</u>
NET INCREASE (DECREASE) IN WORKING CAPITAL (\$	<u>1,145,084</u>)	<u>\$ 1,755,410</u>

WORKING CAPITAL INCREASE (DECREASE) BY COMPONENTS:		
Cash	\$ 2,474,053	\$ 1,403,948
Accounts and interfund account receivable	1,061,704	399,585
Other current assets	20,457	12,693
Accounts payable and other liabilities	(373,344)	(19,168)
Bond interest payable	(185,458)	76,470
Interfund accounts payable	(177,587)	(105,148)
Other current liabilities payable from restricted assets	(61,311)	255,548
Bonded debt maturing within one year	(1,795,000)	(380,000)
Due to the General Fund of the City and County of San Francisco		
current portion	(2,000,000)	
Other current liabilities	<u>(108,598)</u>	<u>111,482</u>
	(\$ 1,145,084)	<u>\$ 1,755,410</u>

The accompanying notes are an integral
part of the financial statements.

AIRPORTS COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO INTERNATIONAL AIRPORT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1974

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

- (a) Accounting Method. The financial statements are prepared on the accrual method.
- (b) Depreciation method and estimated useful life. Depreciation on property, plant and equipment is computed using the straight-line method over the estimated useful lives of property, plant and equipment. Depreciation charges begin in the year following the completion of construction projects or acquisition of equipment at which time a full year's depreciation is taken.

As provided in the Charter of the City and County of San Francisco, an appraisal of property, plant and equipment is made at five year intervals which includes an inspection of the properties as well as a review of the estimated remaining life and depreciated value of the assets in order to determine reasonable annual depreciation. The last appraisal was made as of June 30, 1973 and depreciation since that date has been based on rates established therein. Also see Note 2.

- (c) Capitalization of interest. Interest is capitalized on funds acquired for construction during the construction period.
- (d) Revenue recognition. Lease revenue from the rental of spaces, ground areas and facilities is accounted for under the "operating method". Under this method, lease revenue is earned as it becomes due over the term of the lease, and the related expenses including depreciation and maintenance are included in operating expense as incurred.
- (e) Pension plan. The Airport participates in the City and County of San Francisco's compulsory contributory retirement plan for all permanent employees. The Airport funds pension costs accrued.

AIRPORTS COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO INTERNATIONAL AIRPORT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1974
(Continued)

NOTE 2 - RESTATEMENT AND RECLASSIFICATION:

The balance of surplus at June 30, 1973 has been restated from the amount previously reported to reflect a retroactive charge of \$1,010,045 for corrections or adjustments resulting from the five year appraisal of property, plant and equipment completed as of June 30, 1973. Of this amount, \$54,792 is applicable to fiscal year 1973 and the balance of \$955,253 is applicable to fiscal year 1972 and prior. The adjustments consisted primarily of depreciation adjustments and recording the prior disposition of property, plant and equipment.

The balance sheet format as previously shown at June 30, 1973 has been changed from the inverted format to the conventional format to be comparable to the current year's balance sheet presentation. The income statement format for the year ended June 30, 1974 has been expanded to disclose the distribution of revenue funds for debt retirement.

Certain reclassifications have been made to the fiscal year 1973 financial statements for purposes of comparability.

NOTE 3 - DUE TO THE GENERAL FUND OF THE CITY AND COUNTY OF
SAN FRANCISCO:

As of July 1, 1973, the Airport recognized as a firm liability its obligation to repay the sum of \$24,388,104 into the General Fund of the City and County of San Francisco. This amount represents contributions previously received from the General Fund, from funds raised by taxation, for the payment of interest and principal on general obligation bonds issued by the City and County of San Francisco for the acquisition, construction and improvements of the San Francisco International Airport. The adjustment for this firm liability was made by a charge of \$24,388,104 to Surplus from Airport Operations. The plan for repayment of this indebtedness calls for an annual payment of \$2,000,000, commencing with fiscal year 1974, until the sum of \$24,388,104 has been repaid. Fiscal year 1974 transactions are as follows:

Total liability	\$24,388,104
Less fiscal year 1974 repayment	2,000,000
Less current portion	2,000,000
Portion due after one year	<u>\$20,388,104</u>

AIRPORTS COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO INTERNATIONAL AIRPORT
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1974

(Continued)

NOTE 4 - PROPERTY, PLANT AND EQUIPMENT:

At June 30, 1974 and 1973, property, plant and equipment stated at cost less accumulated depreciation and amortization consisted of the following:

	1974	1973	Estimated Useful Life (Year)
Land and easements	\$ 2,393,869	\$ 2,393,869	
Landplane port	152,836,288	143,980,161	2-50
Seaplane port	1,847,257	1,847,257	5-30
Equipment	<u>1,956,409</u>	<u>1,731,624</u>	5-20
	159,033,823	149,952,911	
Less depreciation and amortization	<u>47,736,716</u>	<u>43,993,768</u>	
	111,297,107	105,959,143	
Construction work in progress	<u>22,968,290</u>	<u>20,863,477</u>	
	<u>\$134,265,397</u>	<u>\$126,822,620</u>	

An analysis of property, plant and equipment is set forth in Schedule 1.

NOTE 5 - BONDED DEBT:

At June 30, 1974 and 1973, the bonded debt incurred upon the general faith and credit of the City and County of San Francisco consisted of:

consisted of:			Amount	
Description	Date of Issue	Interest Rate	1974	1973
1956 Airport Bonds:				
Series C	February 1, 1960	3-1/2%	\$ 135,000	\$ 270,000
Series D	July 1, 1961	3%-3-1/4%	1,500,000	2,000,000
Series E	March 1, 1962	2-3/4%-3%	<u>1,050,000</u>	<u>1,400,000</u>
			2,685,000	3,670,000

1962 Airport Bonds:

Series A	Apr. 1, 1963	2-1/4%-2-3/4%	<u>3,200,000</u>	<u>4,000,000</u>
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AIRPORTS COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO INTERNATIONAL AIRPORT
NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1974

(Continued)

NOTE 5 - BONDED DEBT (Continued):

			Amount	
Description	Date of Issue	Interest Rate	1974	1973
1967 Airport Bonds:				
Series A	March 1, 1968	3.40%-4%	\$ 2,000,000	\$ 3,000,000
Series B	February 1, 1969	4-1/4%-4-1/2%	8,000,000	8,800,000
Series C	February 1, 1970	6%	22,300,000	23,900,000
Series D	February 1, 1972	3.70%-5.20%	18,620,000	19,110,000
Series E	May 1, 1974	5.30%-6.00%	<u>31,900,000</u>	
			<u>82,820,000</u>	<u>54,810,000</u>
			88,705,000	62,480,000
Less current maturities			<u>7,470,000</u>	<u>5,675,000</u>
			\$81,235,000	\$56,805,000

The bonds mature serially in varying annual amounts through June 30, 1994. A summary of maturities is as follows:

Fiscal Year	Amount
1975	\$ 7,470,000
1976	7,335,000
1977	6,635,000
1978	6,440,000
1979	5,640,000
1980 - 1984	28,100,000
1985 - 1989	15,690,000
1990 - 1994	<u>11,395,000</u>
	<u>\$88,705,000</u>

At June 30, 1974, the 1967 Airport Bonds were fully issued in the authorized amount of \$98,000,000 (before redemptions).

The expenditures from the fund to June 30, 1974 are as follows:

AIRPORTS COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO INTERNATIONAL AIRPORT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1974
(Continued)

NOTE 5 - BONDED DEBT (Continued):

Projects completed	\$31,523,404
Equipment	<u>96,492</u>
Transferral to Airport Operating Fund	31,619,896
Construction work in progress	<u>8,079,477</u>
Total expenditures from proceeds of bonds sold	<u>\$39,699,373</u>

NOTE 6 - PENSION COSTS:

Contributory retirement plan contributions included in costs and expenses were \$760,540 and \$585,472 for fiscal years 1974 and 1973, respectively.

NOTE 7 - CONTINGENT LIABILITIES - PENDING ITEMS:

The Airport was contingently liable in connection with various contractor's claims and other matters at June 30, 1974. According to the City Attorney, the total amount of claims pending is approximately \$766,000. The actual total liability is not ascertainable at this time.

Major types of insurance are placed with independent carriers. The Airport, however, acts as self-insurer against losses from workmen's compensation claims and certain other liability and property casualty losses.

NOTE 8 - COMMITMENTS:

Purchase commitments. Commitments for construction, materials and services at June 30, 1974 are approximately \$9,000,000.

Lease commitment. On November 20, 1973, the Airport entered into a sublease agreement whereby it sublet back from Hughes Airwest certain real property previously leased to Hughes Airwest by the Airport. The terms of this sublease, commencing on February 1, 1974 and ending on October 31, 2005, require minimum annual rentals as follows:

AIRPORTS COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO INTERNATIONAL AIRPORT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1974
(Continued)

NOTE 8 - COMMITMENTS (Continued):

Fiscal Year	Rental Expense	Rental Income	Net
			Rental Expense
1975	\$ 205,783	\$ 114,217	\$ 91,566
1976	212,108	121,706	90,402
1977	218,289	129,195	89,094
1978	218,489	129,195	89,294
1979	218,545	126,848	91,697
1980 - 1984	1,052,764	630,982	421,782
1985 - 1989	807,121	185,384	621,737
1990 - 1994	726,175		726,175
1995 - 2005	<u>1,632,788</u>		<u>1,632,788</u>
	\$5,292,062	\$1,437,527	\$3,854,535

Total rental expense reduced by rental income for fiscal year 1974 was \$13,907.

NOTE 9 - INTEREST EARNED ON CASH ON DEPOSIT WITH THE CITY TREASURER:

As provided in the Charter of the City and County of San Francisco, all interest on cash deposited with the City Treasurer shall accrue to the benefit of the City and County, except for interest earned from the deposit of specific purpose funds. Such interest accrues to the benefit of the utility depositing the specific purpose funds.

It is the present policy of the City Treasurer not to accrue to the Airport the interest earned on Airport deposits since, in lieu, various services are provided to the Airport by City Departments at no cost.

NOTE 10 - REVERSION OF PROPERTY:

As of July 1, 1973, the Airport's existing leases with United Air Lines covering the rental of the Maintenance Base were terminated. At the time of termination, these leases had fourteen years remaining and were replaced by a new lease which expires in 1993 with renewal options for an additional twenty years. Under the terms of this new lease, all rights to improvements previously constructed by United Air Lines reverted to the Airports Commission, City and County of San Francisco as of July 1, 1973.

AIRPORTS COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO INTERNATIONAL AIRPORT
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1974
(Continued)

NOTE 11 - CONDEMNATION OF PROPERTY:

At June 30, 1974, litigation is pending in connection with a condemnation sale of Airport property. Upon settlement of this litigation, which centers around the selling price, it is the intention of the Airport to transfer an additional \$4,000,000 from the Airport Revenue Fund into the General Fund of the City and County of San Francisco.

HOOD AND STRONG
CERTIFIED PUBLIC ACCOUNTANTS

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TELEPHONE 781-0793

SUPPLEMENTARY INFORMATION

Our examination of the AIRPORTS COMMISSION, CITY AND COUNTY OF SAN FRANCISCO, SAN FRANCISCO INTERNATIONAL AIRPORT was made primarily for the purpose of forming our opinion on the financial statements taken as a whole.

The following financial information is not considered necessary for a fair presentation of financial position and results of operations and is submitted only for the purpose of supplementary analysis. This information was obtained from the accounting records tested by us during our examination. In our opinion, such information is fairly presented, in all material respects, in relation to the financial statements taken as a whole.

Hood and Strong

November 13, 1974

AIRPORTS COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO INTERNATIONAL AIRPORT
ANALYSIS OF BALANCE SHEET
PROPERTY, PLANT AND EQUIPMENT
JUNE 30, 1974

LAND AND EASEMENTS:

Land
Easements

LANDPLANE PORT:

Landing areas:
Land reclamation and improvements
Field drainage
Drainage control
Runways, taxiways and apron
Landing, field lighting and marking

Utilities, roads and parking areas:
Roads, walks, parking areas, fences, etc.
Water supply system
Sewage system
Power supply and street lighting system
Telephone system, field areas
Gas supply system
Bridges and culverts
Landscaping
Gasoline line and storage
Miscellaneous items

Buildings, including parking facility

Capitalized interest - 1967 Airport Bonds

SEAPLANE PORT:

Landing areas
Utilities
Equipment and other

EQUIPMENT:

Office furniture and appliances
Shop tools and building maintenance
Fire fighting
Motor driven
Meteorological
Sewage pump house
Radio
Engineering
Other

TOTAL

Property, Plant, and Equipment	Accumulated Depreciation and Amortization	Estimated Useful Lives (in Years)
\$ 2,106,967	\$ 464,402	10
286,902	2,659,730	20 - 40
2,393,869	672,682	10 - 30
	11,156,686	3 - 20
	3,619,709	5 - 15
	16,573,209	
26,453,063	2,863,671	2 - 40
4,712,720	669,652	5 - 30
1,996,958	778,783	5 - 40
30,160,332	1,363,635	5 - 30
2,660,010	210,632	20 - 30
66,563,203	293,901	30 - 50
	24,774	10 - 20
	107,134	30
	25,667	5 - 10
	6,338,497	
	22,990,422	5 - 40
	84,778	40
	45,986,906	
1,501,325	419,909	10 - 30
297,059	297,059	5 - 25
48,873	47,196	15 - 25
	764,164	
1,847,257	190,787	10
285,334	29,488	5 - 20
79,134	268,116	5 - 10
535,574	249,359	5 - 10
536,374	2,655	10
120	2,655	5 - 10
11,109	169,671	5 - 15
285,207	15,361	5 - 10
446,000	60,201	5 - 15
195,234	985,646	
1,956,409		
5159,033,831	\$47,736,716	

AIRPORTS COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO INTERNATIONAL AIRPORT
ANALYSIS OF STATEMENT OF INCOME
OPERATING REVENUE
YEARS ENDED JUNE 30, 1974 AND 1973
AVIATION ACTIVITIES

Schedule 2
Schedule 3
Schedule 4

Schedule 2

1974

1973

Air carrier flight operations

\$ 8,522,135

\$ 5,939,851

Rents:

Aircraft outdoor storage

68,481

23,166

Paved and unimproved areas

1,265,476

1,003,113

Hangars

351,555

160,107

Office space - passenger terminal buildings

2,421,264

2,264,622

Office space - air mail and cargo buildings

648,005

684,088

Other buildings and structures

189,721

92,498

4,944,502

4,227,594

Fuel and oil:

Wharfage charges and tank farm rental

219,230

589,817

Delivery permits

57,279

43,863

276,509

633,680

\$13,743,146

\$10,801,125

CONCESSIONS

Schedule 3

Restaurant, bar and allied services

\$ 1,084,272

\$ 979,352

News, tobacco and gift shops

1,167,004

815,356

Stores, miscellaneous retail

97,457

123,511

Hotel

266,061

231,156

Automobile renting

2,283,791

1,934,018

Limousine, taxi and bus

588,824

533,352

Automobile service station

197,028

168,589

Public parking

3,940,389

3,842,276

Insurance

113,206

113,383

Locker rentals

55,276

50,796

Telephone commissions

117,390

117,314

Rest rooms

42,062

45,949

Sale of petroleum products

241,733

230,343

Advertising

96,504

85,283

Commercial vehicle license permits

64,001

1,745

Others

6,832

9,226

\$10,361,830

\$ 9,281,649

SALES AND SERVICES - NET

Schedule 4

Sales and services - net:

Electric energy (less cost of sales

1974 - \$1,378,555, 1973 - \$1,508,056)

\$ 354,864

\$ 382,486

Water (less cost of sales

1974 - \$152,488, 1973 - \$160,009)

78,926

57,673

Steam

19,361

18,099

Fines and forfeitures

71,125

68,194

Gate security

691,672

241,312

Miscellaneous

1,694

1,694

\$ 1,217,642

\$ 769,458

AIRPORTS COMMISSION
CITY AND COUNTY OF SAN FRANCISCO
SAN FRANCISCO INTERNATIONAL AIRPORT
ANALYSIS OF STATEMENT OF INCOME
OPERATING EXPENSES
YEARS ENDED JUNE 30, 1974 AND 1973
ADMINISTRATIVE

Schedule 5
Schedule 6
Schedule 7

Schedule 5

	1974	1973
ADMINISTRATIVE:		
Salaries, wages and payroll benefits	\$ 873,143	\$ 533,349
Insurance	204,601	195,437
Dues and subscriptions	11,119	8,979
Real estate taxes (less charges to tenants: 1974, \$42,603; 1973, \$83,923)	431,336	389,773
Employee transportation	85,255	71,220
Travel, conventions and conference	13,190	11,639
Printing, stationery and postage	45,884	24,728
Legal and professional services	321,074	268,475
Provision for doubtful receivables	14,400	154,800
Telephone and telegraph	82,505	66,329
Other	34,472	29,357
	<u>\$2,116,979</u>	<u>\$1,754,086</u>

MAINTENANCE

Schedule 6

Salaries, wages and payroll benefits	\$2,930,742	\$1,447,006
General maintenance	452,714	461,317
Automobile and other facilities	105,075	119,750
Operating supplies and materials	160,868	215,414
Purchasing and other departments	40,329	52,270
	<u>\$3,689,728</u>	<u>\$2,295,757</u>

OPERATING

Schedule 7

Salaries, wages and payroll benefits	\$2,302,546	\$2,948,691
Fire department services	1,360,095	1,114,237
Services - Bureau of Engineering	498,042	404,003
Utilities	395,346	379,157
Shuttle bus services	174,789	99,917
Refuse disposal (less charges of \$11,265 to tenants in 1974 and 1973)	10,561	15,565
Contractual security services	312,775	241,567
Rent	103,173	
Other	31,985	13,712
	<u>\$5,189,312</u>	<u>\$5,216,849</u>



Port of San Francisco



REPORT ON EXAMINATION OF ACCOUNTS
FOR THE PERIOD ENDED
JUNE 30, 1974

MAIN LAFRENTZ & Co.

CERTIFIED PUBLIC ACCOUNTANTS

OFFICES OR ASSOCIATED FIRMS
U. S. A., CANADA, MEXICO, SOUTH AMERICA
GREAT BRITAIN, EUROPE, MIDDLE EAST
AUSTRALIA, AFRICA

ONE CALIFORNIA STREET
SAN FRANCISCO 94111
415-981-2156

The Honorable John C. Farrell, Controller
City and County of San Francisco
San Francisco, California

Dear Sir:

We have examined the balance sheet of the Port of San Francisco as of June 30, 1974 and 1973 and the related statements of income, changes in resources and changes in financial position for the years then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

The land asset of the Port was adjusted upward in prior years by \$56,217,720 to reflect appraised values of 1929 with some minor subsequent appraisals, which is a departure from the generally accepted accounting principle of reporting such assets at cost.

In our opinion, except for the valuation of land, such financial statements present fairly the financial position of the Port of San Francisco at June 30, 1974 and 1973 and the results of its operations, changes in resources and changes in financial position for the years then ended, in conformity with generally accepted accounting principles applied on a consistent basis.

Main Lafrentz & Co.

San Francisco, California
December 31, 1974

CITY AND COUNTY OF SAN FRANCISCO
PORT OF SAN FRANCISCO

BALANCE SHEET

JUNE 30, 1974 AND 1973

	1974	1973		1974	1973
Property and Equipment	\$ 95,564,902	\$ 96,738,705	Bonded debt, net of current maturities	\$ 80,046,000	\$ 82,230,000
Building and structures	2,623,569	2,978,921	Current liabilities		
Equipment	316,364	316,964	Warrants issued	1,236,952	575,494
Franchise rights of way	98,505,435	100,034,590	Current maturities of bonded debt	1,479,000	1,479,000
Accumulated depreciation and amortization	50,716,068	49,699,578	Holdbacks on construction contracts	1,014,614	-
Land	47,789,367	50,335,012	Deposits on leases	210,621	277,771
Interest during construction	9,874,278	9,874,278	Accrued expenses	446,491	457,939
Construction in progress	1,481,222	1,526,185	Interest	360,469	837,542
	9,823,759	9,823,759	Other	1,729,171	373,542
	132,171,717	145,414,035	Unearned income	438,773	18,184
Current Assets			Interfund payable - airport	359,124	-
Cash and temporary investments	1,319,986	3,774,468		7,275,215	4,019,376
Accounts receivable (less allowance)			Resources		
Subsidiary accounts \$199,000 and \$166,000	2,168,834	1,321,260	Current operating fund	2,494,004	4,255,498
Interfund receivable - City and County	55,287	18,837	Current operating sharing fund	584,000	584,000
Other accrued receivables	26,892	84,794	Equity in property		
Inventory	409,203	371,121	Accumulated earnings	25,703,801	23,446,815
Prepaid expense	363,370	677,707	Donated property	4,214,666	4,412,109
	4,343,572	6,248,187	Revaluation of property	56,063,202	56,063,202
Restricted Funds				89,069,987	88,761,624
Cash and investments					
Capital outlay	16,460,406	21,732,001			
Bond interest and redemption	1,915,374	1,623,035			
Accounts receivable - City and County - revenue sharing	535,205	584,000			
	18,910,985	23,959,036			
Other Assets					
Deferred charges	141,359	89,742			
Receivables, collectible after one year	823,569	-			
	964,928	89,742			
	\$176,391,202	\$175,711,000			

The accompanying notes are an integral part of these financial statements.

CITY AND COUNTY OF SAN FRANCISCO
PORT OF SAN FRANCISCO

INCOME STATEMENT

YEARS ENDED JUNE 30, 1974 AND 1973

	<u>1974</u>	<u>1973</u>
Operating income:		
Property rentals	\$ 8,184,407	\$ 7,699,742
Wharfage	2,378,819	2,284,170
Commercial power sales	794,346	821,824
Dockage	715,302	711,057
Demurrage	388,118	296,379
Parking meters	274,136	249,420
Other	<u>276,157</u>	<u>331,971</u>
	<u>13,011,285</u>	<u>12,394,563</u>
Operating expense:		
Port maintenance	3,929,440	3,959,632
Port operations	3,515,662	3,022,066
Depreciation and amortization - buildings	2,225,548	2,208,786
Other	<u>373,712</u>	<u>160,532</u>
	<u>10,044,362</u>	<u>9,351,016</u>
Income from continuing operations	<u>2,966,923</u>	<u>3,043,547</u>
Other income (expense):		
Interest income	1,972,338	687,767
Interest expense	(3,975,493)	(3,212,191)
Loss on disposal of assets	<u>(91,096)</u>	<u>(17,384)</u>
	<u>(2,094,251)</u>	<u>(2,541,808)</u>
Income before loss from discontinued operations	<u>872,672</u>	<u>501,739</u>
Discontinued operations:		
Loss from operations of discontinued belt railroad	(120,778)	(249,702)
Loss on disposal of belt railroad	(5,922)	-
Loss on disposition of assets	<u>(240,166)</u>	<u>-</u>
Other costs of discontinuing operations	<u>(366,866)</u>	<u>(249,702)</u>
Net income	<u>\$ 505,806</u>	<u>\$ 252,037</u>

The accompanying notes are an integral part
of these financial statements.

CITY AND COUNTY OF SAN FRANCISCO
PORT OF SAN FRANCISCO

STATEMENT OF CHANGES IN RESOURCES

YEARS ENDED JUNE 30, 1974 AND 1973

	Current Operating Fund	Federal Revenue Sharing Fund	Equity in Property		Revaluation of Property
			Accumulated Earnings	Donated Property	
Balances, June 30, 1972	\$3,872,558	\$ -	\$23,577,718	\$1,909,944	\$56,063,202
Net income for the year ended June 30, 1973	232,037	-	-	-	-
Depreciation charged to donated property	-	-	-	(177,396)	-
Equity in property, Interfund transactions	130,903	-	(130,903)	-	-
Federal revenue sharing funds	-	584,000	-	-	-
Balances, June 30, 1973, as originally reported	4,234,498	584,000	23,446,815	1,732,548	56,063,202
Capitalization of concrete platform donated to Port by Bay Area Rapid Transit	-	-	-	2,679,361	-
Balances, June 30, 1973, as adjusted	4,234,498	584,000	23,446,815	4,412,109	56,063,202
Net income for the year ended June 30, 1974	505,806	-	-	34,897	-
Depreciation charged to donated property	-	-	-	(232,340)	-
Equity in property, Interfund transactions	(2,255,986)	-	2,255,986	-	-
Balances, June 30, 1974	\$2,504,318	\$584,000	\$25,703,801	\$4,214,666	\$56,063,202

The accompanying notes are an integral part
of these financial statements.

CITY AND COUNTY OF SAN FRANCISCO
PORT OF SAN FRANCISCO

STATEMENT OF CHANGES IN FINANCIAL POSITION

YEARS ENDED JUNE 30, 1974 AND 1973

	<u>1974</u>	<u>1973</u>
Working capital provided by:		
Net income	\$ 505,806	\$ 252,037
Add charges against earnings not affecting working capital		
Depreciation and amortization - buildings	2,225,548	2,208,786
Depreciation and amortization - other	160,645	189,636
Loss on sales or retirements of assets	91,096	17,384
Loss on disposition of Belt Railroad assets	5,922	-
Other	-	71,881
Working capital provided from operations	<u>2,989,017</u>	<u>2,739,724</u>
Contribution of donated property	34,897	2,679,562
Proceeds from issuance of long-term debt	-	20,000,000
Proceeds from Federal Revenue Sharing	-	584,000
Other	-	1,050
Total working capital provided	<u>3,023,914</u>	<u>26,004,336</u>
Working capital used for:		
Increase in other assets	875,186	-
Acquisition of property and equipment	327,727	3,178,299
Increase in construction in progress	9,145,506	335,934
Increase (decrease) in restricted fund assets	(5,048,051)	19,604,163
Reduction of long-term debt	<u>2,884,000</u>	<u>2,884,000</u>
Total working capital used	<u>8,184,368</u>	<u>26,002,396</u>
Increase (decrease) in working capital	\$(<u>5,160,454</u>)	\$ <u>1,940</u>
Increase (decrease) in working capital consisted of:		
Cash	\$ (2,454,482)	\$ 2,630,149
Accounts receivable	847,574	(167,576)
Prepaid expense	(314,337)	(650,936)
Other current assets	16,630	(34,977)
Warrants issued	(661,458)	178,742
Current maturity of long-term debt	-	(390,000)
Holdbacks on construction contracts	(1,014,614)	-
Accrued expenses	(867,204)	(1,934,924)
Interfund payables	(359,124)	-
Other current liabilities	<u>(353,439)</u>	<u>371,462</u>
	\$(<u>5,160,454</u>)	\$ <u>1,940</u>

The accompanying notes are an integral
part of these financial statements.

CITY AND COUNTY OF SAN FRANCISCO
PORT OF SAN FRANCISCO

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF ACCOUNTING POLICIES

Public service enterprise - The Port of San Francisco is a public service enterprise of the City and County of San Francisco and as such, it maintains its accounting records on an accrual basis. In addition, the City and County of San Francisco is responsible for control of expenditures from restricted funds (except as they relate to principal and interest redemption for the Revenue Bonds), and for certain operating funds carried as current assets.

Investments - Investments are carried at cost less amortization of bond premiums or discounts.

Inventories - Inventory consists of material and supplies which are used for construction and maintenance by the Port. The inventory is stated at cost determined by the average cost method, which is not in excess of replacement market.

Property, plant and equipment - Property, plant and equipment is valued at acquisition cost except for an upward revaluation of land of \$56,217,720 based principally upon a 1929 appraisal and some minor appraisals subsequent to 1929 related to improvements of Port property on the part of leasees. The appraised value of land was reduced in a prior year by \$154,518 for land taken in 1957 by the Federal Government under a condemnation action. Depreciation is computed using the straight-line method based on the estimated useful lives of the assets.

Interest during construction - The original issue of \$20,000,000 of Revenue Bonds, together with approximately \$4,000,000 of the Port's own funds, were for the specific purpose of constructing the LASH terminal. The Port policy with respect to Revenue Bond interest is to capitalize such interest during the period of construction.

All other bond issues of the Port are General Obligation Bonds, and were used for non-specific purposes. It is the policy of the Port to include bond interest expense and interest earned on such bond funds in the income statement.

CITY AND COUNTY OF SAN FRANCISCO
PORT OF SAN FRANCISCO

NOTES TO FINANCIAL STATEMENTS
(Continued)

2. INVESTMENTS

Investments of the funds deposited for capital outlay, interest and redemption of bonds is made by the Trustee (Bank of America) and by the City and County of San Francisco.

	<u>Interest rate(%)</u>	<u>Maturity</u>	<u>Par or face value</u>	<u>Cost (including amortization of discounts or premiums)</u>
Held by Bank of America, as Trustee				
Government National Mortgage Association Participating Certifi- cate	5.20	1-19-82	\$1,015,000	\$ 880,978
Federal National Mortga- ge Association Parti- cipating Certificate	7.25	6-10-81	350,000	359,854
Bank of America Savings Certificate	11.125	7-19-73	<u>136,000</u>	<u>136,000</u>
			<u>\$1,501,000</u>	<u>\$1,376,832</u>

3. BONDED DEBT

Bonded debt consists of:

	<u>General Obligation Bonds</u>	<u>Revenue Bonds</u>	<u>Total</u>
Total outstanding debt at June 30, 1974	\$63,230,000	\$19,700,000	\$82,930,000
Less: Bonds maturing on July 1, 1974 offset against funds provided for redemption	1,205,000	200,000	1,405,000
Other current maturities	<u>1,479,000</u>	<u>-</u>	<u>1,479,000</u>
Long-term portion of bonded debt	<u>\$60,546,000</u>	<u>\$19,500,000</u>	<u>\$80,046,000</u>

There are also \$14,000,000 of General Obligation Bonds of the City and County of San Francisco and \$697,000 of General Obligation Bonds under 1909 and 1913 statutes of the State of California authorized but unissued. A summary of indebtedness under the various issues follows:

CITY AND COUNTY OF SAN FRANCISCO
PORT OF SAN FRANCISCO

NOTES TO FINANCIAL STATEMENTS
(Continued)

3. BONDED DEBT (Continued)

	Interest rates (%)	Maturity	Outstanding June 30, 1974
<u>General Obligation Bonds</u>			
India Basin 1909	4.0	1974-85	\$ 143,000
Second Seawall 1909	4.0	1974-85	1,362,000
Third Seawall 1913	4.0	1974-89	2,130,000
Fourth Seawall 1929, Series A to G	1.5 to 3.25	1974-81	1,935,000
Fifth Seawall 1958, Series A to H	1.0 to 5.50	1974-98	37,660,000
Harbor Improvement Bonds 1971			
Series A	4.5 to 6.00	1979-2003	<u>20,000,000</u>
			<u>\$63,230,000</u>
<u>Revenue Bonds</u>			
Series A - 1969	7.0 to 8.50	1974-99	\$10,800,000
Series B - 1971	5.25 to 6.75	1974-2001	<u>8,900,000</u>
			<u>\$19,700,000</u>

The Revenue Bonds, Series A, were issued pursuant to a resolution adopted by the Port Commission on July 9, 1969, and in accordance with The San Francisco Harbor Revenue Bond Act of 1951, the Charter of the City and County of San Francisco and Statutes 1968, Chapter 1333, as amended, authorizing the transfer of the Port of San Francisco from State ownership to the City and County of San Francisco.

Bonds are of a denomination of \$5,000 each and are dated July 1, 1969. Interest is payable semi-annually on January 1 and July 1 of each year. Serial Bonds amount to \$3,000,000, and Term Bonds amount to \$7,800,000. Maturities are as follows:

<u>Serial Bonds</u>		
1974-81	\$100,000 each year	\$ 800,000
1982-85	\$200,000 each year	800,000
1986-87	\$300,000 each year	600,000
1988-89	\$400,000 each year	<u>800,000</u>
		<u>\$3,000,000</u>

CITY AND COUNTY OF SAN FRANCISCO
PORT OF SAN FRANCISCO

NOTES TO FINANCIAL STATEMENTS
(Continued)

3. BONDED DEBT (Continued)

Term Bonds

1990		\$ 500,000
1991-92	\$600,000 each year	1,200,000
1993-94	\$700,000 each year	1,400,000
1995		800,000
1996-97	\$900,000 each year	1,800,000
1998		1,000,000
1999		<u>1,100,000</u>
		<u>\$7,800,000</u>

The Revenue Bonds, Series B, were issued pursuant to a resolution adopted by the Port Commission on October 28, 1970, under the same provisions as Series A Bonds.

Bonds are of a denomination of \$5,000 each and are dated January 1, 1971. Interest is payable semi-annually on January 1 and July 1 of each year. Serial Bonds amount to \$3,625,000, and Term Bonds amount to \$5,275,000. Maturities are as follows:

Serial Bonds

1974-75	\$100,000 each year	\$200,000
1976-78	\$125,000 each year	375,000
1979-80	\$150,000 each year	300,000
1981-82	\$175,000 each year	350,000
1983-84	\$200,000 each year	400,000
1985		225,000
1986		250,000
1987-88	\$275,000 each year	550,000
1989		300,000
1990		325,000
1991		<u>350,000</u>
		<u>\$3,625,000</u>

Term Bonds

1992		\$ 375,000
1993		400,000
1994		450,000
1995		475,000
1996		500,000
1997		550,000
1998		575,000
1999		600,000
2000		650,000
2001		<u>700,000</u>
		<u>\$5,275,000</u>

CITY AND COUNTY OF SAN FRANCISCO
PORT OF SAN FRANCISCO

NOTES TO FINANCIAL STATEMENTS
(Continued)

3. BONDED DEBT (Continued)

The Port now accounts for vacation pay on the accrual basis. Although the effect on the opening balance of the current operating fund is immaterial, the adjustment of current year net income for the prior year cumulative effect would put the Port in technical default on the Revenue Bonds.

The Harbor Improvement Bonds - 1971, Series A were issued pursuant to a proposition passed in the general election of November 2, 1971 which authorized the issuance of \$34,000,000 bonded indebtedness for the improvement of the Harbor of the City and County of San Francisco and its facilities.

Bonds are of a denomination of \$5,000 each and are dated May 1, 1973. Interest is payable semi-annually on May 1 and November 1 of each year. Bonds mature at a rate of \$800,000 per year commencing May 1, 1979.

The bonds of Series A and Series B are secured by a lien on the consolidated net revenues of the Port Commission, subordinated to the lien of the outstanding General Obligation Bonds of the State of California, and on a parity with any future Revenue Bonds issued under the resolution. General Obligation Bonds issued by the City and County of San Francisco for Port purposes, are subordinate to the bonds of Series A and B and other parity revenue bond issues.

4. CONTRACTS AND COMMITMENTS

1. The Port was obligated at June 30, 1974 for encumbrances amounting to \$9,034,273 representing approved contracts, purchase orders, etc., relating to construction, materials, expenses or services to be performed or provided subsequent to June 30, 1974.

2. Chief Counsel for the San Francisco Port Commission advised as follows at the time of transfer of the Port from the State of California to the City and County of San Francisco with respect to the legal position in connection with the Port of San Francisco's general obligation bonded indebtedness incurred prior to the transfer:

"The obligation should not, it would appear at this time, result in any financial outlay from the City. The legal status of each of the bond issues is that although each is a general obligation issue of the State of California, it is under the terms of the authorizing act met first out of Port revenues. Port revenues have been sufficient to meet all requirements and it is anticipated will be sufficient in the ascertainable future. All subsequent bond issues of any kind, including revenue bonds, are subordinate to these issues, which are known as Prior Lien Bonds.

CITY AND COUNTY OF SAN FRANCISCO
PORT OF SAN FRANCISCO

NOTES TO FINANCIAL STATEMENTS
(Continued)

4. CONTRACT AND COMMITMENTS (Continued)

Port revenues are kept separate and apart from City revenues and are not comingled in any way with City revenues. This is required by the terms of the Burton Act and by the Agreement, which is an integral part of the transfer.

It follows, therefore, that the bond issues enumerated above will in all probability be met out of Port revenues, and that the City's undertaking is in fact on the nature of a guarantee. Prior to the transfer, the State, since these were General Obligation Bonds, had a similar undertaking or guarantee. Because this became a contractual obligation between the bondholders and the State, the bondholders can still look to the State in the event of a default by the Port, and the State then in turn will look to the City.

Under the terms of Section 22 of the Burton Act, the City is obligated to issue \$50,000,000 of bonds for Harbor purposes within ten years of the act, and an additional \$50,000,000 within twenty-five years from the date of the act. If the City fails in this obligation, its rights to the lands transfer cease and the lands revert to the State."

Section 22 of the Burton Act was amended pursuant to the Statutes 1971, Chapter 1253, Section 3 to read as follows:

"On or before August 14, 2003, the lands transferred pursuant to this act shall be substantially improved by the City and County without expense to the state, and the City and County shall issue bonds in the amount of at least twenty-five million dollars (\$25,000,000) for harbor purposes. If the Department of Finance determines that the City and County has failed to improve the lands as herein required and issue such bonds as herein required, all right, title, and interest of the City and County in and to all such lands shall cease and the lands shall revert and rest in the state."

CITY AND COUNTY OF SAN FRANCISCO
PORT OF SAN FRANCISCO

NOTES TO FINANCIAL STATEMENTS
(Continued)

4. CONTRACT AND COMMITMENTS (Continued)

This obligation has been met by the issuance of Port Revenue Bonds of \$20,000,000 and City and County of San Francisco General Obligation Bonds of \$20,000,000.

5. CONTINGENT LIABILITIES

The following are summaries of current litigation:

- a) A claim has been filed against the Port in connection with the operation and construction of the San Francisco Grain Terminal, alleging inadequate specifications and misrepresentations in these specifications on the electrical work in the sum of \$199,000. It is the opinion of counsel that Port has no liability in this matter.
- b) A claim has been filed against the Port in connection with a construction contract for certain work on the LASH terminal, in the amount of \$211,000. It is the opinion of counsel that Port has no liability in this matter.
- c) A complaint has been filed against the Port in connection with the dredging of sand. Port has denied liability in this case. It is the opinion of counsel that there has been no determination of risk in this matter.
- d) A civil action has been filed against the Port in connection with alleged violations of certain water quality control standards. Port has denied liability in this case. It is the opinion of counsel that the maximum liability could be no more than \$120,000, although counsel feels that the case has not progressed to a point where liability, if any, can be determined.

CITY AND COUNTY OF SAN FRANCISCO
PORT OF SAN FRANCISCO

NOTES TO FINANCIAL STATEMENTS
(Continued)

6. FEDERAL REVENUE SHARING

The Port was appropriated \$584,000 from revenue sharing funds by the City and County of San Francisco on May 7, 1973. A separate fund was established by the Port and the fund is being used to install sprinkler systems or to remove sheds which are fire hazards.

7. DISPOSITION OF BELT RAILROAD

Authorization for the transfer of the Belt Railroad operation to Port Railroad, Inc., was approved by the Port Commissioners on August 22, 1973. The transfer was made on December 17, 1973, under a Management Advisory Contract. Under the terms of this agreement, Port Railroad, Inc., has agreed to consult in the operations for a period of twenty years. The Port, as a result of this transfer, incurred direct costs of \$275,938 severance pay and other costs associated with the disposition of the Belt Railroad.

8. SUBSEQUENT EVENTS

As of June 30, 1974, a major tenant of the Port, Pacific Far East Line, Inc. was indebted to the Port for \$1,491,179. An agreement was reached during August 1974, under which the tenant agreed to pay all current bills when rendered, and to pay the past-due balance aggregating \$1,617,465 at the date of the agreement, at the rate of \$75,000 per month, including interest at 7% per annum. That portion of the receivable which is to be collected after June 30, 1975, has been reclassified as a non-current receivable.

As of the date of this report, the balance due the port from Pacific Far East Line, Inc. was \$1,220,331, of which \$17,854 represents current charges. All required payments under the agreement had been made.

Subsequent to June 30, 1974, another major tenant, American President Lines, terminated its relationship with the Port. It is estimated that this move will result in a decrease in future annual revenues of \$1,060,300 until such time as a new tenant can be found.

ACCOUNTANTS' OPINION ON SUPPLEMENTARY INFORMATION

Our examination of the basic financial statements presented in the preceding section of this report was made primarily to form an opinion on such financial statements taken as a whole. Supplementary information, contained in the following pages, is not considered essential for the fair presentation of the financial position of the Port of San Francisco or the results of its operations and changes in financial position. However, the following data were subjected to the audit procedures applied in the examination of the basic financial statements. In our opinion, except for the appraised valuation of land as it relates to property, plant and equipment shown on page 16, the following data are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Kevin Leforty & Co.

CERTIFIED PUBLIC ACCOUNTANTS

San Francisco, California
December 31, 1974

CITY AND COUNTY OF SAN FRANCISCO
PORT OF SAN FRANCISCO

CASH AND TEMPORARY INVESTMENTS

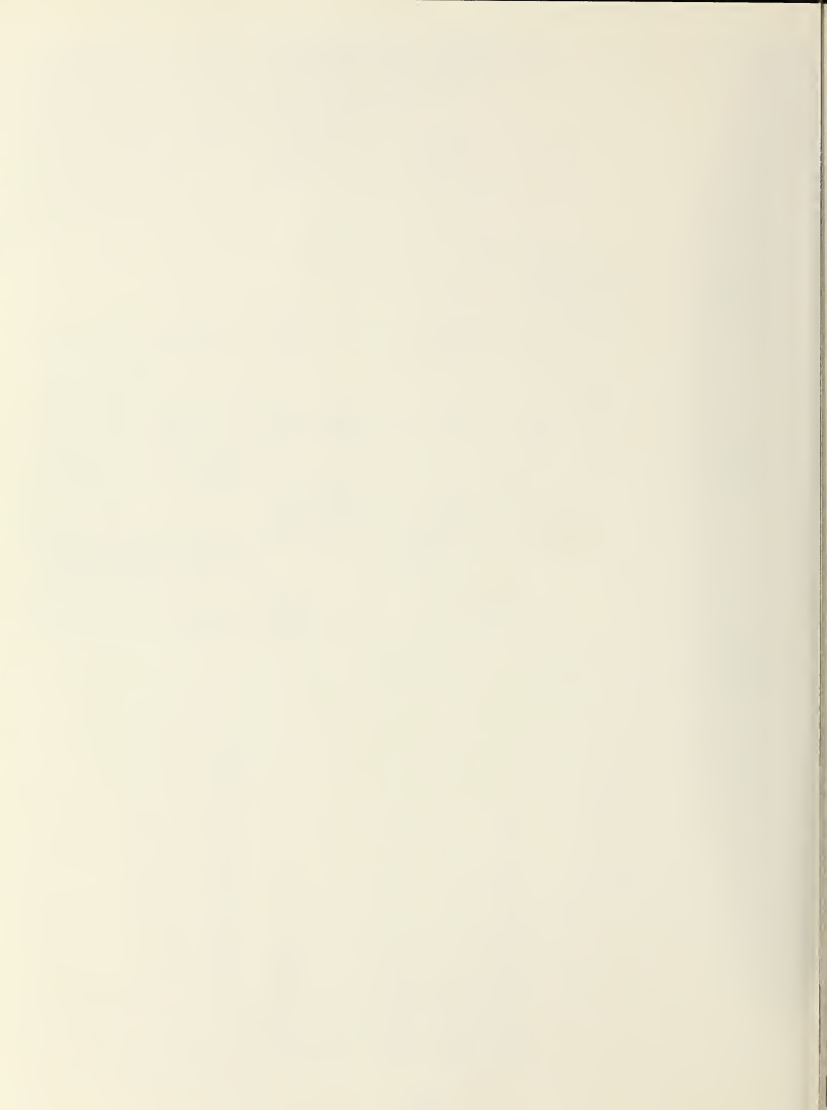
JUNE 30, 1974

	Operating Funds	Bond Interest and Redemption Funds	Capital Funds
Cash in City Treasury			
Harbor Improvement Fund	\$ 845,649	\$ -	\$ -
Trustee cash	210,621	-	-
India Basin	-	8,598	-
Second San Francisco Seawall	-	14,740	-
Third San Francisco Seawall	-	7,500	-
Fourth San Francisco Seawall	-	6,247	-
Fifth San Francisco Seawall	-	13,814	1,042,070
1971 Harbor Improvement	-	-	14,814,859
Revenue Bonds - Series A and B	-	486,823	603,477
Cash in Bank			
Revolving Fund - General	60,000	-	-
Revolving Fund - Payroll	200,000	-	-
Payroll deductions	3,716	-	-
Cash held by Trustee			
Revenue Bonds - Series A and B	-		-
	<u>\$1,319,986</u>	<u>\$1,915,374</u>	<u>\$16,460,406</u>

CITY AND COUNTY OF SAN FRANCISCO
PORT OF SAN FRANCISCO
PROPERTY AND EQUIPMENT
YEAR ENDED JUNE 30, 1974

	Land	Buildings and Structures	Equipment	Construction In Progress	Franchise Rights of Way	Interest during Construction	Total
Assets							
Balance, June 30, 1973, as originally reported	\$92,864,585	\$94,040,403	\$2,978,921	\$ 678,253	\$316,964	\$1,536,185	\$192,415,311
Capitalization of concrete platform donated to Port by Bay Area Rapid Transit	-	2,698,302	-	-	-	-	2,698,302
Balance, June 30, 1973, as adjusted	92,864,585	96,738,705	2,978,921	678,253	316,964	1,536,185	192,118,618
Additions	212,684	25,564,902	95,890	9,376,179	-	-	29,433,679
Sales, transfers & retirement	-	(1,275,368)	(384,304)	(230,672)	-	(54,863)	(2,069,407)
Balance, June 30, 1974	93,077,269	95,564,902	2,623,569	9,823,759	316,964	1,481,322	202,887,285
Accumulated Depreciation							
Balance, June 30, 1973, as originally reported	-	47,678,252	1,693,546	-	309,040	-	49,680,838
Depreciation on concrete Platform	-	18,740	-	-	-	-	18,740
Balance, June 30, 1973, as adjusted	-	47,696,992	1,693,546	-	309,040	-	49,699,578
Additions	-	2,459,532	95,890	-	7,924	-	2,563,346
Sales, transfers & retirements	-	(1,169,437)	(318,719)	-	-	-	(1,538,083)
Balance June 30, 1974	-	48,985,087	1,470,717	-	316,964	-	50,716,068
Cost, less accumulated depreciation	\$93,077,269	\$46,576,815	\$1,152,852	\$9,823,759	\$ -	\$1,481,322	\$152,171,717

Reference should be made to Note 1 of Notes to
Financial Statements for basis of valuation.



San Francisco School Department
(A Unified School District)



REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
JUNE 30, 1974

HAROLD T. HOERTKORN

CERTIFIED PUBLIC ACCOUNTANT
24 CALIFORNIA STREET, SAN FRANCISCO
CALIFORNIA 94111
(415) 421-1942

HAROLD T. HOERTKORN, C.P.A.

MEMBER
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

December 6, 1974

The Honorable John C. Farrell
Controller
City and County of San Francisco
San Francisco, California

Dear Sir:

In accordance with your instructions, I have examined the accounts, records and financial statements of the San Francisco Unified School District for the fiscal year ended June 30, 1974. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as I considered necessary in the circumstances.

In my opinion, based upon the scope of my examination described above, the accompanying Balance Sheets, Statement of Unappropriated Balance and Statement of Revenues and Expenditures present fairly the financial position of the San Francisco Unified School District as of June 30, 1974 and the results of its operations for the fiscal year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Financial Statements included herein are as follows:

Exhibit	"A"	-	Balance Sheet as of June 30, 1974
Schedule	"A-1"	-	Balance Sheet of the Capital Funds as of June 30, 1974
Schedule	"A-2"	-	Balance Sheet of the Special Funds as of June 30, 1974
Schedule	"A-3"	-	Balance Sheet of the Trust Funds as of June 30, 1974

The Honorable John C. Farrell
Controller

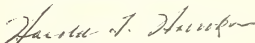
December 6, 1974

- Exhibit "B" - Statement of Unappropriated Balance -
Current Fund
For the Fiscal Year Ended June 30, 1974
- Exhibit "C" - Current Fund - Comparative Statement
of Revenue and Expenditures
For the Fiscal Years Ended
June 30, 1974 and 1973
- Schedule "C-1" - Comparative Statement of
Current Fund Revenues
For the Fiscal Years Ended
June 30, 1974 and 1973

Notes to Financial Statements, June 30, 1974

General Comments

Sincerely yours,



Harold T. Hoertkorn

SAN FRANCISCO UNIFIED SCHOOL DISTRICT

BALANCE SHEET AS OF JUNE 30, 1974

	A S S E T S				Special** Funds	Trust*** Funds
	Total	Current Fund	Capital* Funds			
Cash:						
On Deposit with Treasurer	\$ 47,492,286	\$20,197,495	\$ 18,795,535	\$ 8,628,629	\$ (129,373)	
Cash Transfers Outstanding	2,500,418				2,500,418	
Revolving Funds	24,000	20,000		4,000		
Total Cash	\$ 50,016,704	\$20,217,495	\$ 18,795,535	\$ 8,632,629	\$2,371,045	
Accounts Receivable:						
Delinquent Taxes and Penalties	\$ 4,107,012	\$ 4,050,229		\$ 56,783		
Less: Reserve for Unsecured Property Taxes	1,970,492	1,953,807		16,685		
Other Accounts and Grants	\$ 2,136,520	\$ 2,096,422		\$ 40,098		
Accounts Receivable - Net	8,384,594	582,569		8,002,025		
Inter-Fund Accounts	\$ 10,721,114	\$ 2,678,991		\$ 8,042,123		
Provision for Payment of Bonds	\$ 1,429,972	\$ 1,265,055		\$ 164,917		
Inventories and Deferred Charges:						
Stores - at Cost	\$ 986,804	\$ 986,804				
Shop Inventory - at Cost	140,737	140,737				
Cafeteria Inventory	144,700			\$ 144,700		
Other Supplies and Expenses	137,512	137,512		538,598		
Bond Interest Accrued	538,598					
Amount to be Provided for Loan Payment to State	1,193,941	1,193,941				
Total Inventories and Deferred Charges	\$ 3,142,292	\$ 2,438,994		\$ 683,298		
Other Assets						
Bonds Authorized and Unissued	\$ 197,866				\$ 197,866	
Fixed Capital Properties (See Note 1)	\$ 20,826,000				\$ 20,826,000	
	\$193,563,097				\$193,563,097	
TOTAL	\$320,402,045	\$26,620,535	\$273,689,632	\$17,522,967	\$2,568,911	

LIABILITIES, RESERVES
AND UNAPPROPRIATED BALANCES

Bond Interest Payable and Accrued (See Note 1)

Matured Bonds - Unredeemed

Accounts Payable and Commitments:

Warrants and Payroll Deductions Outstanding
Long Term Payable - State
Accounts Payable - Materials and Services

Total Accounts Payable and Commitments

Inter-Agency Accounts:

Department of Public Works
Other Agencies

Total Inter-Agency Accounts

Inter-Fund Accounts

Bonded Debt (See Note 1)

Reserves:

Adjustment
Prepaid Expenses
Revolving Fund
Inventories
Accounts Receivable
Miscellaneous

Total Reserves

Deferred Credits

Investment in Fixed Assets

Unencumbered Appropriation

Unappropriated Balances

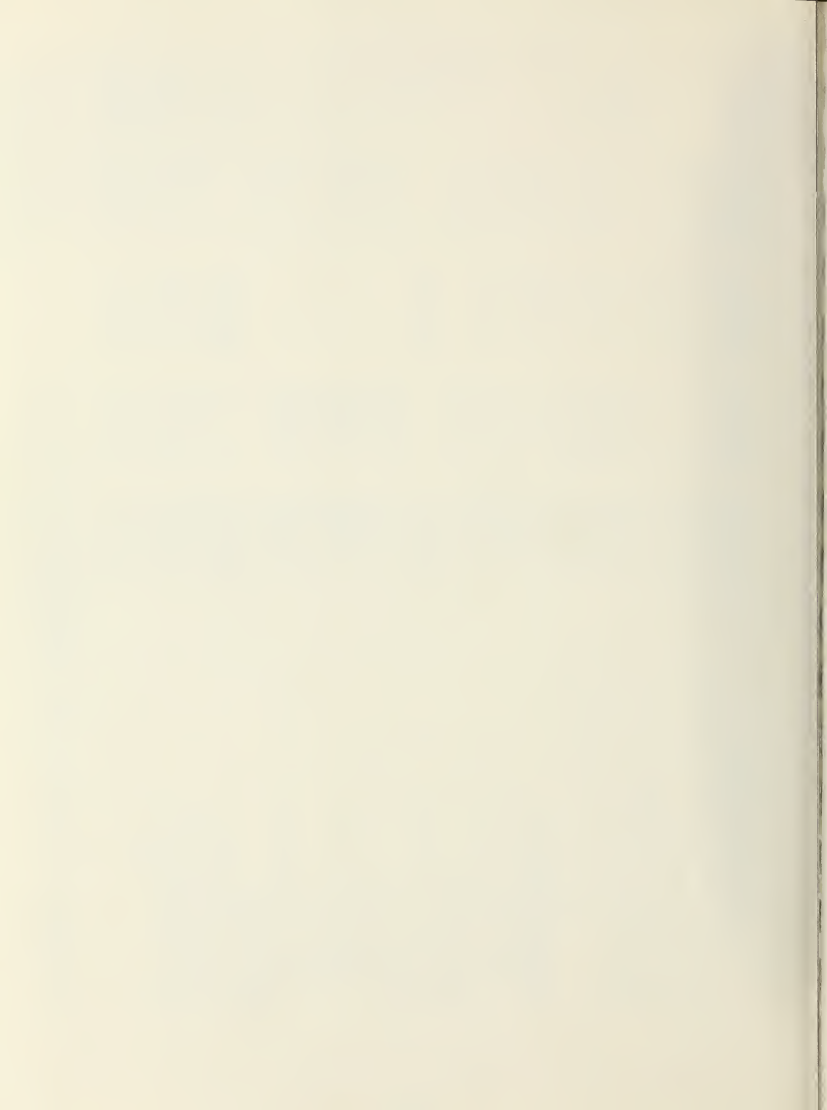
TOTAL

	Total	Current Fund	Capital* Funds	Special** Funds	Trust*** Funds
Bond Interest Payable and Accrued (See Note 1)	\$ 543,380			\$ 543,380	
Matured Bonds - Unredeemed	\$ 5,000			\$ 5,000	
Accounts Payable and Commitments:					
Warrants and Payroll Deductions Outstanding	\$ 12,825,439	\$ 9,888,793	\$ 528	\$ 984,048	\$ 1,952,070
Long Term Payable - State	1,193,941	1,193,941			
Accounts Payable - Materials and Services	7,397,387	3,407,118	54,901	3,393,341	542,227
Total Accounts Payable and Commitments	\$ 21,416,567	\$ 14,489,852	\$ 55,429	\$ 4,377,389	\$ 2,494,297
Inter-Agency Accounts:					
Department of Public Works	\$ 10,251,126	\$ 674,510	\$ 6,075,504	\$ 3,501,112	
Other Agencies	303,364	279,036	591	23,737	
Total Inter-Agency Accounts	\$ 10,554,490	\$ 953,546	\$ 6,076,095	\$ 3,524,849	
Inter-Fund Accounts	\$ 1,429,972	\$ 162,878		\$ 1,267,094	
Bonded Debt (See Note 1)	\$ 40,505,000		\$ 40,505,000		
Reserves:					
Adjustment	\$ 183,000	\$ 183,000			
Prepaid Expenses	150,013	137,513		\$ 12,500	
Revolving Fund	24,000	20,000		4,000	
Inventories	1,272,241	1,127,541		144,700	
Accounts Receivable	574,354	574,354			
Miscellaneous	415	415			
Total Reserves	\$ 2,204,023	\$ 2,042,823		\$ 161,200	
Deferred Credits	\$ 4,480,431			\$ 4,480,431	
Investment in Fixed Assets	\$ 193,563,097		\$ 193,563,097		
Unencumbered Appropriation	\$ 36,360,396	\$ 2,202,509	\$ 33,389,542	\$ 768,345	
Unappropriated Balances	\$ 9,339,289	\$ 6,768,927	\$ 100,469	\$ 2,395,279	\$ 74,616
TOTAL	\$ 320,402,045	\$ 26,620,535	\$ 273,689,632	\$ 17,522,967	\$ 2,568,911

* Details of the Various Funds are shown on Schedule "A-1"

** Details of the Various Funds are shown on Schedule "A-2"

*** Details of the Various Funds are shown on Schedule "A-3"



SAN FRANCISCO UNIFIED SCHOOL DISTRICT

BALANCE SHEET OF CAPITAL FUNDS

As of June 30, 1974

A S S E T S

<u>Total</u>	<u>1948 School Bond Funds</u>	<u>1956 School Bond Funds</u>	<u>1964 School Bond Funds</u>	<u>1973 School Bond Funds</u>	<u>Real Property Fund</u>	<u>Fixed Assets</u>	<u>Bonded Debt</u>
Cash on Deposit with Treasurer							
Provision for Payment of Bonds							
Bonds Authorized - Unissued	\$ 18,795,535	\$8,788	\$1,294,543	\$17,000,000	\$446,845		\$40,505,000
Fixed Capital Properties	40,505,000			20,826,000		\$193,563,097	
	20,826,000						
	<u>193,563,097</u>						
 TOTAL	 \$273,689,632	 \$8,788	 \$1,294,543	 \$37,826,000	 \$446,845	 \$193,563,097	 \$40,505,000

LIABILITIES, RESERVES
AND UNAPPROPRIATED BALANCESAccounts Payable and Commitments:

Warrants Outstanding	\$ 528
Accounts Payable -	
Materials and Service	<u>54,901</u>

Total Accounts Payable
and Commitments

\$ 55,429

Inter-Agency Accounts:

Department of Public Works	\$ 6,075,504
Other Agencies	<u>591</u>

Total Inter-Agency
Accounts

\$ 6,076,095

Bonded Debt

\$40,505,000

Investment in Fixed Assets

\$193,563,097

Unencumbered Appropriation

\$ 33,389,542

Unappropriated Balance

\$ 100,469

TOTAL

\$273,689,632	\$8,788	\$1,294,543	\$37,826,000	\$446,845	\$193,563,097	\$40,505,000
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SAN FRANCISCO UNIFIED SCHOOL DISTRICT

BALANCE SHEET OF SPECIAL FUNDS

As of June 30, 1974

	Totals	Special Reserves	Children's Centers	Development Centers for Handicapped Children	School Cafeteria	Bond Interest and Redemption	
						1956	Note 1 1964 1973
<u>Cash:</u>							
On Deposit with Treasurer	\$ 8,628,629	\$ 5,552,551	\$ 1,294,944	\$ 432,422	\$ 1,338,930	\$ 5,945	\$ 3,285
Revolving Funds	4,000				4,000		
Total Cash	\$ 8,632,629	\$ 5,552,551	\$ 1,294,944	\$ 432,422	\$ 1,342,930	\$ 5,945	\$ 3,285
<u>Accounts Receivable:</u>							
Delinquent Taxes and Penalties	\$ 56,783		\$ 52,781	\$ 4,002			
Less: Reserve for Unsecured Property Tax	16,685		16,059	626			
	\$ 40,098		\$ 36,722	\$ 3,376			
Other Accounts and Subvention	8,002,025	\$ 6,644,206	444,669		\$ 913,150		
Accounts Receivable - Net	\$ 8,042,123	\$ 6,644,206	\$ 481,391	\$ 3,376	\$ 913,150		
<u>Inter-Fund Accounts</u>	\$ 164,917	\$ 25,637	\$ 123,212		\$ 16,068		
<u>Deferred Charges:</u>							
Cafeteria Inventory	\$ 144,700				\$ 144,700	\$ 29,631	\$ 359,084
Bond Interest Accrued	538,598						
Total Deferred Charges	\$ 683,298				\$ 144,700	\$ 29,631	\$ 359,084
TOTAL	\$ 17,522,967	\$ 12,222,394	\$ 1,899,547	\$ 435,798	\$ 2,416,848	\$ 35,576	\$ 362,369
							\$ 150,435

**LIABILITIES, RESERVES
AND UNAPPROPRIATED BALANCES**

	Totals	Special Reserves	Children's Centers	Development Centers for Handicapped Children	School Cafeteria	Bond Interest and Redemption Note 1
						1956
						1964
						1973
Bond Interest Payable and Accrued	\$ 543,380					\$30,576
Matured Bonds - Unredeemed	\$ 5,000					\$362,369
Accounts Payable and Commitments:						\$150,435
Warrants and Payroll						
Deductions Outstanding	\$ 984,048	\$ 370,414	\$ 422,805		\$ 190,829	
Accounts Payable -						
Materials and Services	3,393,341	3,217,351	138,942	\$ 11,200	25,848	
Total Accounts Payable and Commitments	\$ 4,377,389	\$ 3,587,765	\$ 561,747	\$ 11,200	\$ 216,677	
Inter-Agency Accounts:						
Department of Public Works	\$ 3,501,112	\$ 3,300,523	\$ 26,279	\$174,310		
Other Agencies	23,737	23,487	250			
Total Inter-Agency Accounts	\$ 3,524,849	\$ 3,324,010	\$ 26,529	\$174,310		
Inter-Fund Payables	\$ 1,267,094	\$ 121,800	\$ 19,554	\$ 40,032	\$1,085,708	
Reserves:						
Inventory	\$ 144,700				\$ 144,700	
Revolving Funds	4,000				4,000	
Adjustment	12,500		\$ 7,500		5,000	
Total Reserves	\$ 161,200		\$ 7,500		\$ 153,700	
Deferred Credits	\$ 4,480,431	\$ 4,480,228	\$ 203			
Unencumbered Appropriation	\$ 768,345	\$ 615,194	\$ 121,661	\$ 20,188	\$ 11,302	
Unappropriated Balance	\$ 2,395,279	\$ 93,397	\$1,162,353	\$190,068	\$ 949,461	
TOTAL	\$17,522,967	\$12,222,394	\$1,899,547	\$435,798	\$2,416,848	\$35,576
						\$362,369
						\$150,435

SAN FRANCISCO UNIFIED SCHOOL DISTRICT

BALANCE SHEET OF THE TRUST FUNDS

As of June 30, 1974

FUND	Deposit with Treasurer	Cash Items In Transit	Other Assets	Total Assets	Warrants Payable	Accounts Payable	Total Liabilities	Unexpended Balance
Withholding Tax - Federal	\$ (289,567)*	\$ 1,746,883	\$ 132,374 (1)	\$ 1,589,690	\$ 1,570,755	\$ 18,935	\$ 1,589,690	
Withholding Tax - State	(220,898)*	279,681		58,783		58,783	58,783	
Teachers' Annuity	370,660	473,854		844,514	381,310	463,204	844,514	
Teachers' Retirement	5			5	5		5	
Anna Steinberg Trust	10			10				\$ 10
Veterans' Education	385			385				385
Neil V. O'Connell	9,289		65,492 (2)	74,781		1,305	1,305	73,476
George Wilson Meyer Collection	743			743				743
	\$ (129,373)*	\$ 2,500,418	\$ 197,866	\$ 2,568,911	\$ 1,952,070	\$ 542,227	\$ 2,494,297	\$ 74,614

* Indicates Overdraft

(1) Due from Community College

(2) Consists of Assets held in trust by
Crocker National Bank of Market Value
of \$78,055.

SAN FRANCISCO UNIFIED SCHOOL DISTRICTSTATEMENT OF UNAPPROPRIATED BALANCE - CURRENT FUND
For the Fiscal Year Ended June 30, 1974

Balance - July 1, 1973		\$11,117,494
<u>Add:</u>		
Miscellaneous Cash Receipts	\$ 138,096	
Excess Revenue Over Expenditures	<u>1,972,533</u>	<u>2,110,629</u>
		\$13,228,123
<u>Less:</u>		
Creating Reserve for Adjustments	\$ 38,000	
Increase in Inventory Reserve	456,724	
Transfers to Special Reserve Fund	5,042,255	
Increase in Encumbrances	601,754	
Prior Year's Expenditures	248,897	
Miscellaneous Adjustments	2,403	
Decrease in Reserve for Current Taxes	<u>69,163</u>	<u>6,459,196</u>
Balance - June 30, 1974		<u>\$ 6,768,927</u>

NOTE:

The unappropriated balance of the current fund appearing on the books of the San Francisco Unified School District as of June 30, 1974 is \$4,672,505. The difference consists entirely in that the San Francisco Unified School District fully reserves taxes receivable in the amount of \$4,050,229 whereas the Controller only reserves \$1,953,807.

SAN FRANCISCO UNIFIED SCHOOL DISTRICTCURRENT FUNDCOMPARATIVE STATEMENT OF REVENUES AND EXPENDITURESFor the Fiscal Years Ended June 30, 1974 and June 30, 1973

	<u>Fiscal Years Ended</u>		<u>Increase</u>
	<u>June 30, 1974</u>	<u>June 30, 1973</u>	<u>(Decrease)</u>
<u>Revenues - Per Schedule "C-1"</u>	<u>\$117,680,262</u>	<u>\$116,629,756</u>	<u>\$ 1,050,506</u>
<u>Less: Operating Expenditures:</u>			
Administration	\$ 4,211,449	\$ 3,810,170	\$ 401,279
Instruction - Classroom	62,114,131	66,377,143	(4,263,012)
Instruction - Other	18,527,674	9,748,702	8,778,972
Auxiliary Service	85,722	74,743	10,979
Operations	7,486,041	7,122,479	363,562
Maintenance	4,589,150	3,657,365	931,785
Fixed Charges	11,977,605	13,043,378	(1,065,773)
Transportation of Pupils	2,530,802	2,101,225	429,577
Food Service	641,515	863,350	(221,835)
Community Service	1,407,007	888,875	518,132
Transfer of Tuition, Retirement, etc.	<u>926,866</u>	<u>759,071</u>	<u>167,795</u>
Total Operating Expenditures	<u>\$114,497,962</u>	<u>\$108,446,501</u>	<u>\$ 6,051,461</u>
Balance	<u>\$ 3,182,300</u>	<u>\$ 8,183,255</u>	<u>\$(5,000,955)</u>
<u>Less:</u>			
Payment of Debt to State of California	\$ 257,171	\$ 207,700	\$ 49,471
Net Capital Outlay from Current Funds	<u>952,596</u>	<u>492,235</u>	<u>460,361</u>
	<u>\$ 1,209,767</u>	<u>\$ 699,935</u>	<u>\$ 509,832</u>
Excess of Revenues Over Expenditures	<u>\$ 1,972,533</u>	<u>\$ 7,483,320</u>	<u>\$(5,510,787)</u>

SAN FRANCISCO UNIFIED SCHOOL DISTRICTCOMPARATIVE STATEMENT OF CURRENT FUND REVENUES
For the Fiscal Years Ended June 30, 1974 and June 30, 1973

	<u>Fiscal Years Ended</u>		<u>Increase</u>
	<u>June 30, 1974</u>	<u>June 30, 1973</u>	<u>(Decrease)</u>
<u>Property Taxes and Penalties</u>	<u>\$ 90,279,874</u>	<u>\$ 94,121,259</u>	<u>\$(3,841,385)</u>
<u>Apportionments from</u>			
<u>State of California:</u>			
Elementary Schools	\$ 7,494,253	\$ 7,832,503	\$ (338,250)
High Schools	5,987,393	6,086,736	(99,343)
Special Programs	45,956	20,181	25,775
Retirement Subvention	2,653,164	2,715,157	(61,993)
Home Owners' Property Tax Relief	6,331,300	2,429,293	3,902,007
Business Inventory			
Property Tax Relief	<u>1,925,480</u>	<u>1,252,174</u>	<u>673,306</u>
Total Apportionments	<u>\$ 24,437,546</u>	<u>\$ 20,336,044</u>	<u>\$ 4,101,502</u>
<u>Other Revenues:</u>			
Federal and State Vocational			
Education Subvention	\$ 60,498	\$ 7,700	\$ 52,798
Tuition from Other Counties	465,198	190,629	274,569
Rentals	350,495	332,893	17,602
Public Law 874 and			
Other Federal Aid	1,590,360	1,198,298	392,062
Miscellaneous	<u>496,291</u>	<u>442,933</u>	<u>53,358</u>
Total Other Revenues	<u>\$ 2,962,842</u>	<u>\$ 2,172,453</u>	<u>\$ 790,389</u>
 TOTAL	 <u>\$117,680,262</u>	 <u>\$116,629,756</u>	 <u>\$ 1,050,506</u>

GENERAL COMMENTS - BALANCE SHEET - EXHIBIT "A"

CASH - \$50,016,704: Comprises the aggregate of School Fund Balance on deposit with the Treasurer, Cash Transfers Outstanding, Revolving Funds, together with the Bond Interest and Redemption Funds, applicable to School Bonds issued by the City and County of San Francisco.

An analysis of the Cash Balance at June 30, 1974 is as follows:

Balance on Deposit with Treasurer:

<u>Current Fund (Exhibit "A")</u>	\$20,197,495
-----------------------------------	--------------

Capital Funds: (Schedule "A-1")

1948 School Bond Fund	\$ 45,359	
1956 School Bond Fund	8,788	
1964 School Bond Fund	1,294,543	
1973 School Bond Fund	17,000,000	
Real Property Fund	<u>446,845</u>	18,795,535

Special Funds: (Schedule "A-2")

Children's Centers	\$ 1,294,944	
School Cafeterias	1,338,930	
Special Reserves	5,552,551	
Development Centers for Handicapped Minors	432,422	
Balance in the Bond Interest and Redemption Funds of the City and County of San Francisco	<u>9,782</u>	8,628,629

Trust Funds: (Schedule "A-3")

Withholding Tax - Federal	\$ (289,567)*	
Withholding Tax - State	(220,898)*	
Teachers' Annuity	370,660	
Teachers' Retirement	5	
Anna Steinberg Trust	10	
George Wilson Meyer Collection	743	
Veterans' Education	385	
Nell V. O'Connell	<u>9,289</u>	(129,373)*

Cash Transfers Outstanding (Exhibit "A")

2,500,418

Revolving Funds: (Exhibit "A")

School District	\$ 20,000	
Cafeteria	<u>4,000</u>	<u>24,000</u>

TOTAL CASH - June 30, 1974

\$50,016,704

* Brackets indicate overdraft

Balance on Deposit with the Treasurer is comprised of the balances of the various funds shown on the accounts of the Treasurer. Warrants, per the Controller's general ledger, drawn before July 1, 1974 but not presented to the Treasurer for payment before July 1, 1974, in the amount of \$12,825,439, are shown as liabilities of the various funds in Exhibit "A."

Cash Transfers Outstanding represent the aggregate of amounts in transfers between the various funds and were recorded as complete transactions on the School District ledger as of June 30, 1974, but the transfers were recorded in the accounts of the Treasurer after that date.

ACCOUNTS RECEIVABLE - \$10,721,114: Represents amount due to the Current Fund and Other Funds of the School District at June 30, 1974, as follows:

Current Funds:

Delinquent Taxes and Penalties	\$4,050,229	
<u>Less: Reserve for Unsecured Taxes</u>	<u>1,953,807</u>	\$2,096,422

Other Accounts Receivable:

Miscellaneous	\$ 8,215	
Receivable under Public Law 874 - estimated	500,000	
Due from Teachers Representing Overpayment of Salaries	<u>74,354</u>	<u>582,569</u> \$ 2,678,991

Special Reserve Fund:

Under Public Law:		
89-10 Title I	\$2,165,192	
89-10 Title II	12,464	
89-10 Title III	10,939	
89-10 Title VI	56,851	
89-10 Title VII	138,308	
VEA - PL 90-576	445,341	
PL 90-35	206,759	
PL 91-380	22,000	
PL 93-84	17,250	
PL 93-318	<u>96,626</u>	\$3,171,730

Capital Subventions Receivable:

<u>State of California:</u>	
School Building Aid	\$2,411,246

Federal:

Under Public Law 815	<u>866,793</u>	3,278,039
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Other:

Mission Model Cities	\$ 117,448	
Ford Foundation	40,000	
Senate Bill 116 - Chinese Bilingual Study	32,195	
Basic Law Workshop	<u>4,794</u>	<u>194,437</u> <u>6,644,206</u>

\$ 9,323,197

Accounts Receivable - Balance Brought Forward \$ 9,323,197

Children's Centers:

Delinquent Taxes and Penalties	\$ 52,781	
Less: Reserve for Unsecured Taxes	<u>16,059</u>	\$ 36,722
State Apportionment		382,268
General Grants		36,986
Other		<u>25,415</u>
		481,391

Development Centers:

Delinquent Taxes and Penalties	\$ 4,002	
Less: Reserve for Unsecured Taxes	<u>626</u>	3,376

School Cafeterias:

Federal Grant	\$ 743,647	
Miscellaneous	<u>169,503</u>	<u>913,150</u>

TOTAL ACCOUNTS RECEIVABLE -

June 30, 1974

\$10,721,114

INVENTORIES AND DEFERRED CHARGES:

Inventory - Stores - At Cost - \$986,804: Comprises unissued supplies, furniture and equipment stored in various warehouses. Portions of the inventory were counted and reconciled with the general ledger at January 31, 1974 and February 28, 1974. The general ledger accounts were nominally adjusted to agree with the physical inventories.

Inventory - Shop - At Cost - \$140,737: Comprises Material and Supplies.

Inventory - Cafeteria - \$144,700: Represents a physical inventory at cost of food and other supplies. Verification was made of the method of pricing, arithmetical extensions and inventory count procedures.

Deferred Charges - \$137,512: Comprises miscellaneous prepayments of various expense.

FIXED CAPITAL PROPERTIES - \$193,563,097: Represents the aggregate recorded valuation of land, buildings improvements and equipment, as shown by the Controller's records as of June 30, 1974. Net additions during the fiscal year ended June 30, 1974 and the accumulated ledger values are summarized as follows:

	<u>Total</u>	<u>Land</u>	<u>Buildings & Improvements</u>	<u>Equipment</u>
<u>Balance - July 1, 1973</u>				
<u>Accumulated Ledger Balances</u>	\$185,324,878	\$16,743,441	\$147,806,697	\$20,774,740
<u>Additions per School District:</u>				
Current Fund	\$ 952,596		\$ 244,963	\$ 707,633
Children's Centers Fund	8,080			8,080
Development Center for Handicapped Children	6,332		482	5,850
1964 School Bond Fund	161,112		46,388	114,724
Special Reserve Fund	<u>7,110,099</u>	<u>\$ 54,635</u>	<u>7,027,735</u>	<u>27,729</u>
Total Additions	\$ 8,238,219	\$ 54,635	\$ 7,319,568	\$ 864,016
Net Additions per Controller's Records for the Fiscal Year Ended June 30, 1974	\$ 8,238,219	\$ 54,635	\$ 7,319,568	\$ 864,016
<u>Balance - June 30, 1974</u>				
<u>(Per Controller's Records - Exhibit "A-1")</u>	\$193,563,097	\$16,798,076	\$155,126,265	\$21,638,756

At June 30, 1974, Fire and General Insurance in force on the School District properties was \$264,236,000.

BOND INTEREST PAYABLE AND ACCRUED - \$543,380: Represents:

Matured coupons - not presented by Bondholders	\$ 4,782
Interest accrued - not due at June 30, 1974	<u>538,598</u>
Total	<u><u>\$543,380</u></u>

Interest on the School Bonds is not recorded on the ledger of the Unified School District because the School Bonds and Interest shown thereon are a general obligation of the City and County of San Francisco. This practice is consistent with prior years, where the Bonds and Interest are part of the Balance Sheet, Exhibit "A," as the obligations were incurred for acquisition of Fixed Properties of the School District. The Interest Accrued of \$538,598, but not due as of June 30, 1974, is recorded as Deferred Charge at June 30, 1974.

AMOUNT TO BE PROVIDED FOR LOAN

PAYMENT TO STATE - \$1,193,941: This item represents the amount due the State of California under the State School Building Aid Fund. The loan program was established for construction of the Bayview Elementary School. The liability section of the Balance Sheet, Exhibit "A," as of June 30, 1974 reflects the liability of the same amount. This amount was confirmed by the Department of Finance of the State of California.

BONDED DEBT - \$40,505,000: Represents the aggregate of School Bonds outstanding at June 30, 1974 after considering the redemption during the fiscal year ended June 30, 1974, as shown by the Controller's records, as follows:

	<u>Interest Rate</u>	<u>Balance July 1, 1973</u>	<u>Less: Redeemed</u>	<u>Balance June 30, 1974</u>
<u>Authorized in 1956:</u>				
Issued	2.75 - 3.50%	\$ 4,100,000	\$1,395,000	\$ 2,705,000
<u>Authorized in 1964:</u>				
Issued	2.75 - 6.00%	22,895,000	2,095,000	20,800,000
<u>Authorized in 1973:</u>				
Issued	5.00 - 6.00%	<u>17,000,000</u>	<u>-</u>	<u>17,000,000</u>
TOTAL		<u>\$43,995,000</u>	<u>\$3,490,000</u>	<u>\$40,505,000</u>

On November 6, 1973 the Electorate authorized the incurrence of \$37,826,000 of bonded indebtedness to be known as the Public School Improvement Bonds of 1973. As of June 30, 1974, \$17,000,000 of bonds were issued and outstanding.

REVENUES AND EXPENDITURES

A comparative Statement of Revenues and Expenditures of the Current Fund for the Fiscal Years ended June 30, 1974 and June 30, 1973 is presented in Exhibit "C" and Schedule "C-1." The following is a summary of the comparative statements:

	<u>June 30,</u> <u>1974</u>	<u>June 30,</u> <u>1973</u>	<u>Increase</u> <u>(Decrease)</u>
Property Taxes and Penalties*	\$ 90,279,874	\$ 94,121,259	\$(3,841,385)
State of California:			
School Fund Apportionment	13,527,602	13,939,420	(411,818)
Retirement Subvention	2,653,164	2,715,157	(61,993)
Other Revenues	<u>11,219,622</u>	<u>5,853,920</u>	<u>5,365,702</u>
Total Revenues - Schedule "C-1"	\$117,680,262	\$116,629,756	\$ 1,050,506
<u>Less:</u> Total Operating Expenses	<u>114,497,962</u>	<u>108,446,501</u>	<u>6,051,461</u>
Balance	\$ 3,182,300	\$ 8,183,255	\$(5,000,955)
<u>Less:</u> Payment of Debt to State	\$ 257,171	\$ 207,700	\$ 49,471
Net Capital Outlays from			
Current Funds			
(Per Exhibit "C")	<u>952,596</u>	<u>492,235</u>	<u>460,361</u>
	\$ 1,209,767	\$ 699,935	\$ 509,832
Excess of Revenues			
Over Expenditures	\$ 1,972,533	\$ 7,483,320	\$(5,510,787)

*The School District Tax Rates for the General Fund and Assessed Valuation for the tax years 1974 and 1973 were as follows:

	<u>Tax Rate</u>	<u>Assessed Valuation</u>	
		<u>Secured Roll</u>	<u>Unsecured Roll</u>
1973 - 1974	\$4.020663	\$2,244,759,116	\$275,922,530
1972 - 1973	4.032816	2,156,258,224	260,751,522

The legal tax limitation of the School District was \$2.00 through 1957-58. In June 1958 by vote of the Electorate, the limit was raised to \$2.50. By Education Code 20751, as amended in 1964, the tax limitation was raised to \$2.55 for a School District maintaining classes from Kindergarten through Junior College, if said District's current expense of education per unit average daily attendance for 1963-1964 was less than \$600.00. In November 1968 by vote of the Electorate the tax limitation was raised to \$3.06.

Revenues from the State School Fund comprises apportionments based upon the average daily attendance, various excess expenses of the education of handicapped children, mentally gifted minors and automobile driver training. The revenue from the State relating to these matters for the fiscal year ended June 30, 1974 was as follows:

	<u>Total</u>	<u>Elementary Schools</u>	<u>High Schools</u>
Average Daily Attendance - See Notes 1 and 2 \$125.00 per Pupil	<u>\$9,501,411</u>	<u>\$4,943,716</u>	<u>\$4,557,695</u>
<u>Apportionment for Excess Expense of Educating Handicapped Children:</u>			
Physically Handicapped:			
Average Daily Attendance	863	481	382
Extra Expense	\$1,270,041	\$ 876,697	\$ 393,344
Mentally Retarded:			
Average Daily Attendance	608	199	409
Extra Expense	\$ 231,658	\$ 91,561	\$ 140,097
Severely Mentally Retarded:			
Average Daily Attendance	148	148	
Extra Expense	\$ 140,642	\$ 140,642	
Transportation Expense of Certain Handicapped Children:			
Average Daily Attendance	421	350	71
Extra Expense	\$ 192,414	\$ 161,438	\$ 30,976
Educationally Handicapped:			
Average Daily Attendance	680	443	237
Extra Expense	<u>\$1,087,301</u>	<u>\$ 664,538</u>	<u>\$ 422,763</u>
Total for Handicapped Children	<u>\$2,922,056</u>	<u>\$1,934,876</u>	<u>\$ 987,180</u>
<u>Apportionment for Special Program for Mentally Gifted</u>	<u>\$ 199,578</u>	<u>\$ 91,866</u>	<u>\$ 107,712</u>
<u>Automobile Driver Training:</u>			
Number of Pupils Trained	6,634		6,634
Apportionment	<u>\$ 334,806</u>		<u>\$ 334,806</u>
<u>Pupil Transportation</u>	<u>\$ 523,795</u>	<u>\$ 523,795</u>	
	\$13,481,646	\$7,494,253	\$5,987,393
Special Studies and <u>Miscellaneous Revenues</u>	<u>45,956</u>		
	<u>\$13,527,602</u>		

Explanatory Notes:

- 1) Attendance and apportionment data applicable to the Continuation School are included in High Schools.
- 2) Average daily attendance for the previous year was the primary basis for apportionment in the current year. The average daily attendance listed is that of the year ended June 30, 1974.

A comparison of the average daily attendance for the past three years follows:

	<u>1973-74</u>	<u>1972-73</u>	<u>1971-72</u>
Elementary Schools	47,240	51,844	55,595
High Schools	<u>22,746</u>	<u>24,049</u>	<u>24,597</u>
	69,986	75,893	80,192
	<u> </u>	<u> </u>	<u> </u>

I have examined the reports submitted to the State Department of Education as a basis for the State Apportionment for the Fiscal Year 1973-74 and have tested the records in support thereof to state that in my opinion they fairly represented the average daily attendance during the Fiscal Year ended June 30, 1974. Attendance records of representative Elementary, Junior High School and High Schools were examined and audited.

The average daily attendance during the Fiscal Year ended June 30, 1974 will be the basis for apportionment for the Fiscal Year ending June 30, 1975, and the various special education programs which will be based on current attendance:

<u>Elementary Schools</u>	
Grades 1 - 6	36,010
<u>Junior High Schools</u>	
Grades 7 - 8	11,230
<u>High Schools</u>	<u>22,746</u>
Total Average Daily Attendance	<u>69,986</u>

COUNTY SCHOOL SERVICE FUND

The Revenues and Expenditures of the County School Service Fund for the Fiscal Year Ended June 30, 1974 were as follows:

Revenues:

From State Apportionment	\$244,220
From San Francisco Unified School District	<u>177,947</u>
Total Revenues	<u>\$422,167</u>

Expenditures:

Office of County Superintendent of Schools	\$ 23,460
Screening and Directing Teachers	7,206
Audio-Visual Education	355,894
Library and Personnel Service	34,907
Special Administrative Expenses	500
In Service Training	<u>200</u>
Total Expenditures	<u>\$422,167</u>

STUDENT BODY FUNDS

The student body funds and accounting records of the funds are maintained at the schools and are subject to internal audit at regular intervals by the school District Administrative Office. It is felt that the internal controls are sufficient, and in addition, auditing test checks were made.

An analysis of cash on deposit, which is not part of the cash balances of the attached financial statements, is as follows:

	<u>Amount</u>
Senior High Schools	\$102,165
Junior High Schools	66,764
Medal Funds	<u>15,388</u>
	<u>\$184,317</u>

TRUST FUNDS

As indicated in the Balance Sheet of the Trust Funds, see Schedule "A-3" as of June 30, 1974, the assets, liabilities and fund balances are disclosed.

CHILDREN'S CENTERS

Thirty-one Children's Centers were operated during the Fiscal Year ended June 30, 1974, with a total enrollment of 1,785 children at June 30, 1974. The total hours of child attendance for the years ended June 30, 1974 and June 30, 1973 follows:

	<u>Fiscal Years Ended</u>		<u>Increase</u>
	<u>June 30, 1974</u>	<u>June 30, 1973</u>	<u>(Decrease)</u>
<u>Hours of Attendance:</u>			
Nursery and School Age	2,936,984	2,963,853	(26,869)

A comparative statement of Revenues and Expenditures of Children's Centers for the Fiscal Years ended June 30, 1974 and June 30, 1973 follows:

	<u>Fiscal Years Ended</u>		<u>Increase</u>
	<u>June 30, 1974</u>	<u>June 30, 1973</u>	<u>(Decrease)</u>
<u>Revenues:</u>			
State Apportionment	\$ 2,742,268	\$2,575,530	\$ 166,738
Fees from Parents	294,145	529,360	(235,215)
District Taxes	169,222	146,351	22,871
Transfers from General Fund	487,360	431,662	55,698
Federal Grants	120,370	109,172	11,198
Miscellaneous	<u>20,662</u>	<u>23,893</u>	<u>(3,231)</u>
Total Revenues	<u>\$ 3,834,027</u>	<u>\$3,815,968</u>	<u>\$ 18,059</u>
<u>Expenditures:</u>			
Administration	\$ 106,354	\$ 348,987	\$(242,633)
Instruction	3,370,706	2,798,467	572,239
Auxiliary Services	7,881	9,683	(1,802)
Operation	552,016	547,953	4,063
Maintenance	155,143	161,526	(6,383)
Fixed Charges	725,155	471,357	253,798
Food	392,170	343,034	49,136
Capital Outlay	<u>8,080</u>	<u>6,565</u>	<u>1,515</u>
Total Expenditures	<u>\$ 5,317,505</u>	<u>\$4,687,572</u>	<u>\$ 629,933</u>
Excess of Expenditures Over Revenues	<u>\$(1,483,478)</u>	<u>\$ (871,604)</u>	<u>\$ 611,874</u>

CAFETERIAS

During the Fiscal Year ended June 30, 1974, 43 complete cafeteria units and 79 branch cafeteria units, which were serviced from the kitchens of complete units, were operated by the School District. A comparative statement of Revenues and Expenditures of the school cafeterias for the Fiscal Year ended June 30, 1974 and June 30, 1973 is as follows:

	<u>Fiscal Years Ended</u>		<u>Increase</u>
	<u>June 30, 1974</u>	<u>June 30, 1973</u>	<u>(Decrease)</u>
<u>Revenues:</u>			
Sales - Cafeterias	\$3,358,544	\$3,585,528	\$ (226,984)
Sales - Mid-Morning Lunches	206,612	179,755	26,857
Federal Grants	<u>551,725</u>	<u>671,667</u>	<u>(119,942)</u>
Total Revenues	<u>\$4,116,881</u>	<u>\$4,436,950</u>	<u>\$ (320,069)</u>
<u>Expenditures:</u>			
Cost of Food	\$2,044,024	\$2,105,844	\$ (61,820)
Salaries	1,331,562	1,367,634	(36,072)
Meals for Student Help	14,893	28,917	(14,024)
Supplies and Expenses	246,842	234,499	12,343
Provisions for Sick Leave and Employee Benefits	<u>240,293</u>	<u>233,105</u>	<u>7,188</u>
Total Expenditures	<u>\$3,877,614</u>	<u>\$3,969,999</u>	<u>\$ (92,385)</u>
Excess of Revenues Over Expenditures	<u>\$ 239,267</u>	<u>\$ 466,951</u>	<u>\$ (227,684)</u>

ACADEMIC ATHLETIC ASSOCIATION

Receipts and Disbursements of this student body activity during the Fiscal Year ended June 30, 1974 were as follows:

Cash Available - July 1, 1973		\$ 5,841
<u>Add:</u> <u>Receipts:</u>		
Admission Fees	\$19,417	
Miscellaneous	<u>313</u>	<u>19,730</u>
		\$25,571
<u>Less:</u> Expenses in Connection		
<u>With Activities:</u>		
Football	\$12,784	
Basketball	1,033	
Swimming	427	
Track	2,163	
Baseball	458	
Soccer	127	
Tennis and Golf	141	
Miscellaneous	<u>1,381</u>	<u>18,514</u>
Balance - June 30, 1974 - In Trust		<u><u>\$ 7,057</u></u>

FEDERAL PROGRAMS

As required by the Audit Division of the Department of Finance of the State of California, Federal Programs were examined. Authorized grants by the Federal Government during the Fiscal Year ended June 30, 1974 were checked to Board Approval and supporting documents. Expenditures under the numerous programs were sampled and found to be reasonably correct.

	<u>Fiscal Year 1974</u>	
	<u>Revenues</u>	<u>Expenditures</u>
Elementary and Secondary Education Act Public Law 89-10	\$4,364,763	\$4,912,773
Vocational Education Act Public Law 90-576	491,795	330,928
Emergency School Aid Act Public Law 92-318	2,513,732	2,236,519
Educational Opportunity Act - Neighborhood Youth Corp. Public Law 88-452	1,562,283	943,268

As well as the above mentioned programs, the following programs have been examined by me and are reasonably correct:

National School Lunch Program
Special Milk Program

Information on special projects within the various programs will be made available to Federal Auditors upon request.

SAN FRANCISCO UNIFIED SCHOOL DISTRICT

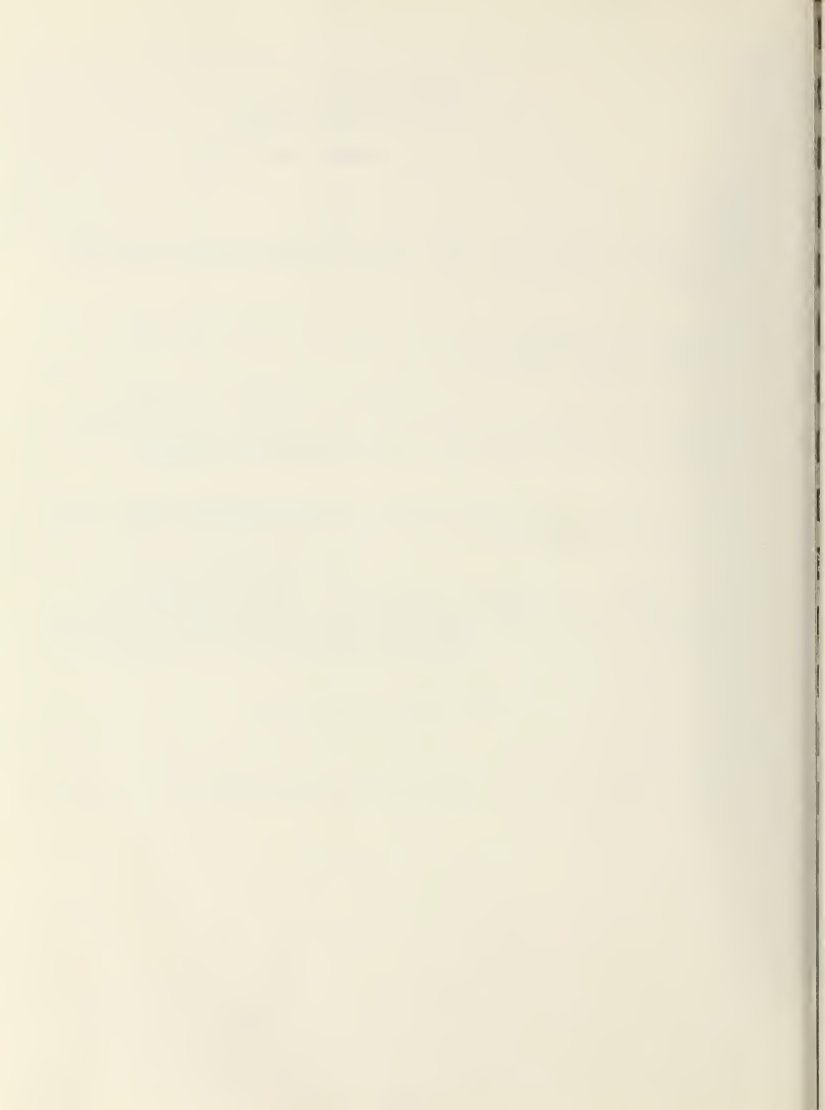
NOTES TO THE FINANCIAL STATEMENT - JUNE 30, 1974

1. Fixed capital properties, bonded debt and bond interest payable and accrued are not recorded in the ledger of the San Francisco Unified School District, but have been added in this report.

Bonded debt and bond interest are general obligations of the City and County of San Francisco and are not liabilities of the San Francisco Unified School District. They are shown in the Balance Sheet Exhibit "A" as the proceeds of the bonds were used to acquire School District properties.

The amounts shown for fixed capital properties do not represent the value of the properties and equipment presently owned by the San Francisco Unified School District, as the amounts shown include certain properties at cost and certain properties at appraised value when acquired.

2. At June 30, 1974, the contingent liability for personal injury claims was estimated by the legal advisor to the Board of Education to be not in excess of \$200,000.00.
3. Revenue other than from secured taxes, with minor exceptions, is recorded only when monies are received by, or for the credit of, the School District. This practice is consistent with that of preceding fiscal years.



San Francisco Community College District



**REPORT ON EXAMINATION OF ACCOUNTS
FOR THE YEAR ENDED**

JUNE 30, 1974

HAROLD T. HOERTKORN

CERTIFIED PUBLIC ACCOUNTANT
24 CALIFORNIA STREET, SAN FRANCISCO
CALIFORNIA 94111
(415) 421-1942

HAROLD T. HOERTKORN, C.P.A.

MEMBER
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

November 27, 1974

The Honorable John C. Farrell
Controller
City and County of San Francisco
San Francisco, California

Dear Sir:

In accordance with your instructions, I have examined the accounts, records and financial statements of the San Francisco Community College District for the fiscal year ended June 30, 1974. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as I considered necessary in the circumstances. On June 30, 1970, City College of San Francisco, in conformance with State Law, ended a constructive and cordial relationship with the San Francisco Unified School District which was established in 1935 and became a separate school district.

In my opinion, based upon the scope of my examination described above, the accompanying Balance Sheet, Statement of Unappropriated Balance and Statement of Revenues and Expenditures present fairly the financial position of the San Francisco Community College District as of June 30, 1974 and the results of its operations for the fiscal year then ended, in conformity with generally accepted accounting principles, with the exception that Student Activity Funds were not examined as described further in the General Comments of this report.

Financial Statements included herein are as follows:

Exhibit "A"	-	Balance Sheet as of June 30, 1974
Exhibit "B"	-	Statement of Unappropriated Balance - Current Fund For the Fiscal Year Ended June 30, 1974

The Honorable John C. Farrell
Controller

November 27, 1974

Exhibit "C"

Statement of Revenues and Expenditures -
Current Fund
For the Fiscal Year Ended June 30, 1974

General Comments

Sincerely,

A handwritten signature in dark ink, appearing to read "Harold T. Hoertkorn", written in a cursive style.

Harold T. Hoertkorn

SAN FRANCISCO COMMUNITY COLLEGE DISTRICT
San Francisco, California

Exhibit "A"

BALANCE SHEET AS OF JUNE 30, 1974

A S S E T S	Total	Current Funds	Special Reserve Funds	Trust Funds	Cafeteria Fund	Fixed Assets	Bonded Debt
Cash:							
On Deposit with Treasurer	\$12,204,368.65	\$4,028,078.68	\$7,864,664.48	\$262,166.69	\$49,458.80	\$ 592,978.00	
Cash Transfers Outstanding	542,186.26			542,186.26		14,407,858.94	
Revolving Funds	31,580.00	30,000.00			1,580.00	4,783,690.62	
Total Cash	\$12,778,134.91	\$4,058,078.68	\$7,864,664.48	\$804,352.95	\$51,038.80	\$19,784,527.56	
Accounts Receivable:							
Delinquent Taxes and Penalties	\$ 265,126.99	\$ 265,126.99					
Less: Reserve for Delinquent Taxes	77,493.53	77,493.53					
	\$ 187,633.46	\$ 187,633.46					
Federal and State Subventions	4,693,920.54	4,686,569.71	\$ 7,350.83				
Miscellaneous	9,108.47	9,108.47					
Total Accounts Receivable	\$ 4,890,662.47	\$4,883,311.64	\$ 7,350.83				
Inter-Agency Accounts	\$ 336,441.22	\$ 336,441.22					
Inventory	\$ 10,842.61				\$10,842.61		
Amount to be Provided for Payment of Bonds	\$ 535,000.00						\$535,000.00
Fixed Assets:							
Land	\$ 592,978.00					\$ 592,978.00	
Buildings	14,407,858.94					14,407,858.94	
Equipment	4,783,690.62					4,783,690.62	
Total Fixed Assets	\$19,784,527.56					\$19,784,527.56	
TOTAL	\$38,335,608.77	\$9,277,831.54	\$7,872,015.31	\$804,352.95	\$61,881.41	\$19,784,527.56	\$535,000.00

SAN FRANCISCO COMMUNITY COLLEGE DISTRICT
San Francisco, California

Exhibit "A"

BALANCE SHEET AS OF JUNE 30, 1974

LIABILITIES, RESERVES
AND UNAPPROPRIATED BALANCES

Accounts Payable and Commitments:

Warrants and Payroll
Deductions Outstanding
Uncompleted Contracts and
Purchase Orders

Total Accounts Payable
and Commitments

Inter-Agency Accounts

Bonded Debt

Deferred Credits

Reserve - Revolving Fund

Reserve - Inventory

Investment in Fixed Assets

Unencumbered Appropriation

Unappropriated Balances

TOTAL

<u>Total</u>	<u>Current Funds</u>	<u>Special Reserve Funds</u>	<u>Trust Funds</u>	<u>Cafeteria Fund</u>	<u>Fixed Assets</u>	<u>Bonded Debt</u>
\$ 2,592,833.44	\$ 2,022,531.19	\$ 1,427.17	\$526,307.96	\$42,567.12		
4,472,858.58	1,301,056.20	2,894,307.39	277,496.99			
\$ 7,065,692.02	\$ 3,323,587.39	\$ 7,895,734.56	\$803,802.95	\$42,567.12		
\$ 18,422.78	\$ 18,422.78					\$535,000.00
\$ 535,000.00						
\$ 1,001,409.21	\$1,001,409.21			\$ 1,580.00		
\$ 31,580.00	\$ 30,000.00			\$10,842.61		
\$ 10,842.61					\$19,784,527.56	
\$19,784,527.56						
\$ 5,046,504.70	\$ 200,912.30	\$4,845,566.06		26.34		
\$ 4,841,629.89	\$4,703,499.86	\$ 130,714.69	\$ 550.00	\$ 6,865.34		
\$38,335,608.77	\$9,277,831.54	\$7,872,015.31	\$804,352.95	\$61,881.41	\$19,784,527.56	\$535,000.00

SAN FRANCISCO COMMUNITY COLLEGE DISTRICT
San Francisco, California

STATEMENT OF UNAPPROPRIATED BALANCE - CURRENT FUND
For the Fiscal Year Ended June 30, 1974

Balance - July 1, 1973 \$ 4,290,024.62

Add:

Excess of Revenues over Expenditures - Exhibit "C"	\$ 4,116,288.74	
Budget Transfers	46,358.68	
Reimbursement of Grant Expenditures of Prior Years	164,905.91	
Refund from Retirement System	<u>19,957.35</u>	<u>4,347,510.68</u>
		\$ 8,637,535.30

Deduct:

Transfers to Special Reserve	\$ 3,909,317.00	
Increase of Appropriations	<u>24,718.44</u>	<u>3,934,035.44</u>
Balance - June 30, 1974		<u>\$ 4,703,499.86</u>

SAN FRANCISCO COMMUNITY COLLEGE DISTRICT
San Francisco, California

STATEMENT OF REVENUES AND EXPENDITURES - CURRENT FUND
For the Fiscal Year Ended June 30, 1974

Revenues:

Property Taxes and Penalties	\$14,988,372.06
Apportionment from State of California	9,569,385.00
Federal and State Aid	1,462,747.25
Home Owners' Property Tax Relief	1,053,834.66
Estimated Retirement Benefits Receivable	639,279.88
Business Inventory Property Tax Relief	315,926.10
Tuition from Non-Resident Students	181,043.73
Reimbursement for Veterans' Education and Counseling	91,915.44
Federal Aid - Public Law 874	57,878.00
Federal Grant - Construction Project	35,077.00
Miscellaneous	<u>95,837.20</u>

Total Revenues

\$28,491,296.32

Less: Operating Expenditures:

Administration	\$ 791,353.27
Instruction	18,356,232.23
Health Service	72,997.22
Operations	1,539,159.74
Maintenance	595,068.51
Fixed Charges	2,342,627.15
Transportation of Pupils	2,376.70
Community Service	6,050.13
Food Charges	<u>39,351.37</u>

Total Operating Expenditures

23,745,216.32

\$ 4,746,080.00

Less: Net Capital Outlay from Current Funds629,791.26

Excess of Revenues Over Expenditures

\$ 4,116,288.74

GENERAL COMMENTS - BALANCE SHEET - EXHIBIT "A"

CASH - \$12,778,134.91: Comprises the balance of the District's Cash Balances on Deposit with the Treasurer of the City and County of San Francisco, Cash Transfers Outstanding later deposited with the Treasurer, and a Revolving Fund.

An analysis of the Cash Balances as of June 30, 1974 is as follows:

Balances on Deposit with the Treasurer:		
Current Fund		\$4,028,078.68
Special Reserve Fund		7,864,664.48
School Cafeteria		49,458.80
Trust Funds:		
Withholding Tax - Federal	\$108,789.13	
Withholding Tax - State	(1,685.33)*	
Teachers' Annuity	154,100.08	
Sales Tax	412.81	
Dormitory Fund	<u>550.00</u>	262,166.69
Cash Transfers Outstanding		542,186.26
Revolving Funds		<u>31,580.00</u>
TOTAL CASH - June 30, 1974		<u>\$12,778,134.91</u>

*(Indicates Overdraft)

Balances on Deposit with the Treasurer are the balances of various funds shown on the accounts of the Treasurer. Warrants, per the Controller's general ledger, drawn before July 1, 1974 but not presented to the Treasurer for payment before July 1, 1974 in the amount of \$2,592,833.44 are shown as liabilities of the various funds in Exhibit "A."

Cash Transfers Outstanding represent the aggregate of amounts in transfer between the various funds and were recorded as completed transactions as of June 30, 1974, but the transfers were recorded in the accounts of the Treasurer after that date. Deposits in Transit were traced directly to the records of the Treasurer.

ACCOUNTS RECEIVABLE - \$4,890,662.47: Represents amounts due to the Current and Special Reserve Funds at June 30, 1974, as follows:

Current Fund:

Delinquent Taxes and Penalties	\$ 265,126.99	
Less: Reserve for Delinquent Taxes	<u>77,493.53</u>	\$ 187,633.46

Federal and State Authorizations and Grants:

PL 90-636	Manpower Development Program	\$ 377,441.97	
PL 90-636	Manpower Development Program	72,942.33	
PL 89-329	Educational Opportunity Act	226,251.00	
SB 164	Extended Opportunity Program	278,120.00	
PL 92-318	National Defense Student Loan	85,916.68	
PL 90-636	Manpower Development Training Program	421,789.80	
Miscellaneous		<u>1,041,025.38</u>	2,503,487.16

State Grants Receivable:

Vocational Education Act	\$ 912,327.25	
Veterans' Counseling Service	6,999.30	
Elementary Secondary Education Act	765,350.00	
Construction - Building and Equipment	<u>498,406.00</u>	2,183,082.55

Other:

Mt. Zion - Dental Assistance Program	9,107.00	
Miscellaneous	<u>1.47</u>	\$ 4,883,311.64

Special Reserve Fund:

Federal and State Authorizations:

PL 667-10	Manpower Development and Training Program	<u>7,350.83</u>
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Balance - June 30, 1974

\$ 4,890,662.47

Secured Taxes and Penalties have been recorded as assets and are credited to income when assessed. Federal and State Authorizations and Grants, as shown above, are classified as Accounts Receivable in the Balance Sheet as of June 30, 1974. Of the total, \$4,686,569.71 applies to the Current Fund and \$7,350.83 pertains to the Special Reserve Fund. The accounting procedures are that projects which are in process and uncompleted as of June 30, 1974 are reflected as a net deferred credit.

FIXED CAPITAL PROPERTIES - \$19,784,527.56: This is the aggregate recorded valuation of land, building and improvements, and equipment as shown by the Controller's records as of June 30, 1974, as follows:

	Balance <u>July 1, 1973</u>	<u>Additions</u>	Balance <u>June 30, 1974</u>
Land	\$ 592,978.00		\$ 592,978.00
Buildings and Improvements	13,873,322.71	\$ 534,536.23	14,407,858.94
Equipment	<u>4,236,254.35</u>	<u>547,436.27</u>	<u>4,783,690.62</u>
	<u>\$18,702,555.06</u>	<u>\$1,081,972.50</u>	<u>\$19,784,527.56</u>

CAFETERIA OPERATIONS: The cafeteria operations for the fiscal year ended June 30, 1974 disclosed an excess of revenue over expenditures, as follows:

<u>Revenues</u>		\$247,146.51
<u>Expenditures:</u>		
Food Purchases	\$136,773.13	
Salaries	66,503.57	
Supplies	25,734.33	
Miscellaneous	<u>3,482.71</u>	<u>232,493.74</u>
Excess of Revenues Over Expenditures		<u>\$ 14,652.77</u>

FEDERAL PROGRAMS

As required by the Audit Division of the Department of Finance, State of California, the following Federal Programs were examined by us and found to be reasonably correct. A review was made of internal procedures and controls were found to be adequate. Authorized grants by the Federal Government during the fiscal year ended June 30, 1974 were checked to Board Approval and supporting documents.

	<u>Fiscal Year 1974</u>	
	<u>Revenue</u>	<u>Expenditures</u>
Manpower Development Training Act Public Law 90-636	\$394,040.20	\$543,696.40
Student Financial Aid Program Public Law 89-329	300,000.00	496,606.52
College Work Study Program Public Law 89-329	210,000.00	334,549.45

In addition to the above mentioned programs, an examination was made of the following programs:

Nursing Student Loan Program
National Defense Student Loan Program
Educational Opportunity Program
Law Enforcement Educational Program

GENERAL COMMENTS

City College of San Francisco, a public two year college, was established in 1935 as an integral part of the San Francisco Unified School District. Enrollment in the Spring of 1974 totaled 13,016 students in the Day Division and 6,356 students in the Evening Division. The entire program offered by San Francisco Community College is accredited by the Western Association of Schools and Colleges, a nationally recognized accrediting agency.

On June 30, 1970, City College of San Francisco, in conformance with State Law, ended a constructive and cordial relationship with the San Francisco Unified School District. The enabling ordinance separating City College of San Francisco from the San Francisco Unified School District, which created the San Francisco Community College District, was unanimously approved by the Board of Education, Board of Supervisors, and Mayor Joseph L. Alioto.

Numerous commercial accounts and savings accounts are maintained at the Bank of America, Ocean and Faxon Branch, which are not included as part of this financial report other than as shown below:

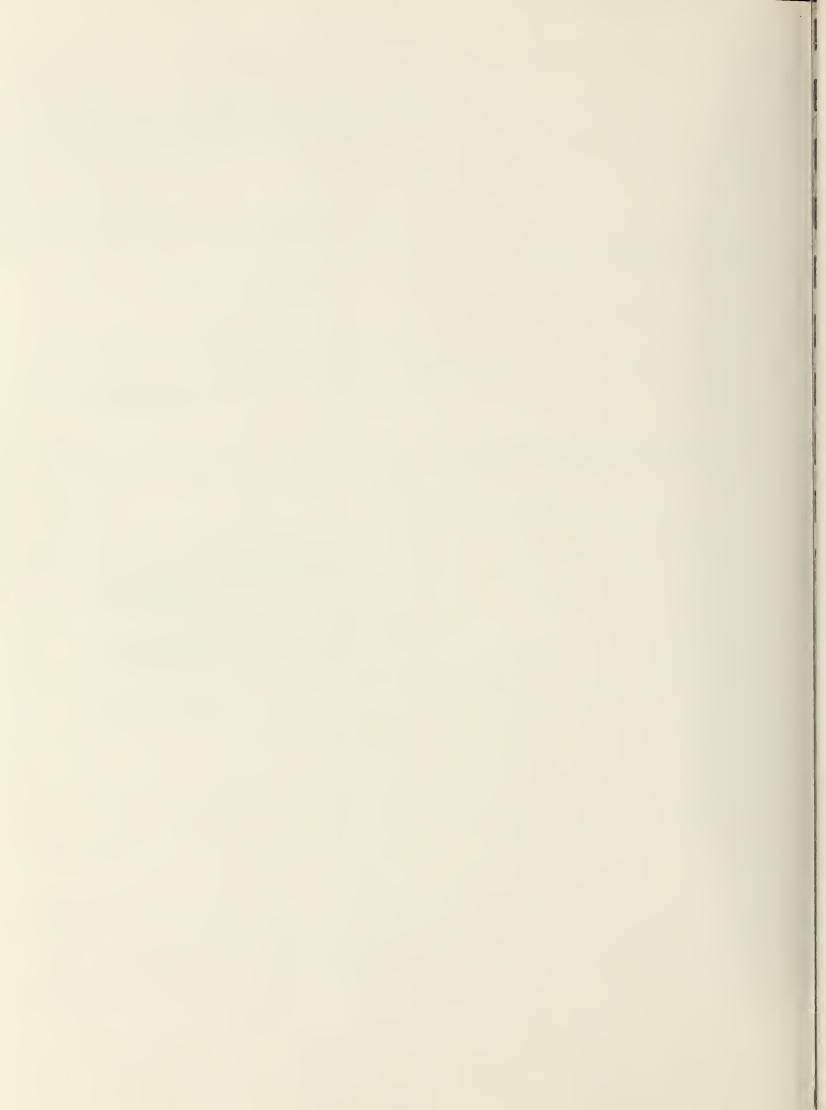
	<u>Balance</u> <u>June 30, 1974</u>
<u>Commercial Accounts:</u>	
Nursing Student Loan Program	\$ 25,331.66
CCSF Education Program	22,757.80
CCSF Education Opportunity Program	29,517.88
City College of S. F. Tuition Account	123,776.42
City College National Defense Program	50,569.33
CCSF Law Enforcement Program	1,690.00
CCSF Basic Education Opportunity Grant Fund	11,853.00
<u>Savings Account:</u>	
City College National Defense Loan Fund	448.43

The above accounts were examined by us and found to be in order. The bank accounts were reconciled directly to the books of account and other auditing procedures deemed necessary were performed. In the National Defense Program, which reflects students' loans, there appears to be a large amount of delinquent and possible uncollectible accounts.

Of more concern are cash balances and cash transactions known as Student Activity Funds, as shown on the following page. The Accommodation and Associated Students' commercial accounts were not reconciled with the depositories as of June 30, 1974. The books and records of these two accounts are in poor condition and are not current; therefore, auditing of these records was not feasible under the circumstances, and as such was excluded from the scope of the engagement and contract.

As in past years, it must be mentioned that the Business Office located at 33 Gough Street, San Francisco, California, bears the responsibility for the auditing, accountability of funds and the establishment of internal controls. It is my strong belief that this is a responsibility of the Business Office and cannot be shifted to outside accountants and auditors.

	<u>Balance - June 30, 1974</u>
<u>Commercial Accounts:</u>	
Accommodation Account of	
City College of San Francisco	\$17,118.10
Associated Students Account of	
City College of San Francisco	13,799.16
Associated Students' Bookstore	<u>43,419.73</u>
Subtotal	\$ 74,336.99
<u>Savings Accounts:</u>	
Accommodation Account of	
City College of San Francisco	\$64,280.97
Associated Students Account of	
City College of San Francisco	113.65
Associated Students' Bookstore	<u>14,680.06</u>
Subtotal	<u>79,074.68</u>
 TOTAL	 <u>\$153,411.67</u>



Treasurer's Office



REPORT ON EXAMINATION OF ACCOUNTS

For the Fiscal Year Ended

JUNE 30, 1974

CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

JANUARY 6, 1975

John C. Farrell
Controller
City and County of San Francisco

TREASURER: Examination of Accounts
Fiscal Year Ended June 30, 1974

Dear Sir:

Under your direction and pursuant to the provisions of Charter Section 3.303, we have examined the Treasurer's financial statements and records.

Mr. Michael K. Tamony, Administrative Assistant and Consultant to the Grand Jury, participated in this examination.

Our examination was made in accordance with generally accepted auditing standards and procedures and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion the accompanying report with schedules attached presents fairly the financial condition of the Treasurer at June 30, 1974 and the results of its operation for the fiscal year then ended, on a basis consistent with that of the preceding year.

Respectfully submitted,
GENERAL AUDITS DIVISION



Robert A. Mast
Head Accountant

REPORT APPROVED:



John C. Farrell
CONTROLLER

REPORT ON EXAMINATION

The Treasurer's accountability for cash and securities as at June 30, 1974, amounted to \$983,927,513.12 compared with June 30, 1973 total of \$966,380,798.75 as detailed below with references to applicable Exhibits.

<u>CASH AND CASH ITEMS</u>	<u>June 30, 1974</u>	<u>June 30, 1973</u>	<u>Exhibit</u>
Cash and Cash Items on Hand	\$ 3,208,563.47	\$ 4,566,704.69	A
Cash in Banks & U.S.			
Treasury Notes	366,935,996.93	345,702,944.16	A, A-1
U.S. Bonds (Par Value)	7,150.00	10,500.00	A
Cash Received after June 30, 1974	<u>9,613,346.66</u>	<u>8,063,511.81</u>	A
TOTAL	<u>\$379,765,057.06</u>	<u>\$358,343,660.66</u>	A, C, D

SECURITIES (PAR OR FACE VALUE)

Bonds

Employees' Retirement Fund	\$479,324,966.19	\$478,708,707.26	A
Bequest and Trust Funds	220,585.41	221,585.41	A, A-2
Deposit on Leases	<u>140,000.00</u>	<u>141,000.00</u>	A, A-2
TOTAL	<u>\$479,685,551.60</u>	<u>\$479,071,292.67</u>	A

Stock and Investment Certificates

Employees' Retirement Fund	\$124,343,579.60	\$128,829,673.87	A
Bequest Funds	95,685.32	97,579.05	A, A-2
Deposit on Leases	<u>37,639.54</u>	<u>38,592.50</u>	A, A-2
TOTAL	<u>\$124,476,904.46</u>	<u>\$128,965,845.42</u>	A
TOTAL SECURITIES	<u>\$604,162,456.06</u>	<u>\$608,037,138.09</u>	A

TOTAL SECURITIES AND CASH \$983,927,513.12 \$966,380,798.75

Exhibit "B" of this report is a "Comparative Statement of Revenues, Expenditures and Encumbrances for the Fiscal Years ended June 30, 1970 through June 30, 1974".

Comments follow on the above summary and on other matters covered in this examination.

The Cash and Cash Items total of \$379,765,057.06 was reconciled with the Controller's available cash of \$315,249,986.61 the difference of \$64,515,070.45 consists of outstanding items per Controller's Division of Accounts and Reports as follows:

<u>Outstanding Items</u>	<u>General City</u>	<u>Public Service Enterprises</u>	<u>Total</u>
Warrants Outstanding	\$54,681,264.17	\$9,718,707.53	\$64,399,971.70
Matured and unpaid bonds	31,000.00	26,200.00	57,200.00
Matured and unpaid coupons	<u>26,285.00</u>	<u>31,613.75</u>	<u>57,898.75</u>
TOTAL	<u>\$54,738,549.17</u>	<u>\$9,776,521.28</u>	<u>\$64,515,070.45</u>

REPORT ON EXAMINATION (Cont'd)

Cash and Cash Items on Hand

The sum of \$3,208,563.47 consists of:

<u>Item</u>	<u>Amount</u>	<u>Comments</u>
Coin and Currency	\$ 508,862.00	Verified by count
Checks on Hand for Deposit	2,636,839.54	All Current: Deposited in Bank July 1, 1974
Due from Clearing House	<u>62,861.93</u>	Adjusted on Next Day's Clearing
	<u><u>\$3,208,563.47</u></u>	

Cash in Banks \$366,935,996.93 (as reconciled to Treasurer's records)

Cash in Banks was confirmed by direct correspondence with the banks and is summarized as follows:

	Amount on Deposit				Total
	Deposits	Inactive	Investments	Cash	
Bank of America	\$113,190,859.37	\$43,617,604.17	\$642,731.85	\$18,650,000.00	\$176,101,195.39
Bank of California	5,000,000.00	1,000,000.00	1.00		6,000,001.00
Bank of Canton	6,025,000.00				6,025,000.00
Bank of Montreal	6,950,000.00		79.81		6,950,079.81
Bank of Tokyo	14,875,000.00				14,875,000.00
Barclays Bank of California	12,500,000.00				12,500,000.00
Chartered Bank of London	111,213.00				111,213.00
Crocker Nat'l Bank	48,000,000.00				48,000,000.00
First Enterprise Bank	500,000.00		45.61		500,045.61
First Western Bank	7,500,000.00				7,500,000.00
French Bank of California	1,000,000.00				1,000,000.00
Hibernia Bank	7,300,000.00				7,300,000.00
Hongkong Bank of California	3,275,000.00				3,275,000.00
Redwood Bank	2,500,000.00				2,500,000.00
Sanwa Bank	7,000,000.00				7,000,000.00
Security Pacific Nat'l Bank	15,050,000.00		311.81		15,050,311.81
Sumitomo Bank	10,960,000.00				10,960,000.00
Union Bank	21,808,594.00		602.90		21,809,196.90
United California Bank	5,500,000.00	1,000,000.00	166.83		6,500,166.83
Wells Fargo Bank	12,905,000.00		73,786.58		12,978,786.58
TOTAL	\$301,980,666.37	\$45,617,604.17	\$717,726.39	\$18,650,000.00	\$366,935,996.93

100.00%

5.08%

00.20%

12.43%

82.29%

All inactive accounts are maintained in compliance with Government Code Section 53643:

"The Treasurer may deposit any part of the money for a definite term agreed upon between him and the depository. The term shall not exceed one year."

Supervisors' Resolution No. 3469, adopted August 17, 1937, authorized the Treasurer to enter into the necessary agreement with the banks, as required by law, for the deposit of funds under his jurisdiction, and to determine the amount that shall be deposited in either active or inactive accounts.

The amounts on deposit in banks June 30, 1974, (Exhibit "A-IV") are within the limitations specified in Government Code Section 53638:

"The deposit shall not exceed the total of the paid-up capital and surplus of any depository."

Since December 1, 1971, the Treasurer has had authority under Ordinances 291-71 and 34-72 to make short term investments of surplus funds in the active bank accounts.

Interest income from the active accounts to June 30, 1974 was \$1,873,924.72. Interest and other earnings from the inactive accounts totaled \$23,181,516.07..

United States Bonds (Par Value) \$7,150.00

United States Bonds representing Superior and Municipal Court bail deposits, include \$400.00 for which court orders for release or forfeitures were issued.

Cash Items Received After June 30, 1974 \$9,613,346.66

This item represents 1973-1974 collections which were deposited with the Treasurer in July, 1974.

<u>Date Deposited</u>	<u>Amount</u>
July 1, 1974	\$3,062,741.46
July 2, 1974	4,804,014.70
July 3, 1974	1,560,840.54
July 5, 1974	243,582.37
July 8, 1974	(57,832.41)
	<u>\$9,613,346.66</u>

SECURITIES (PAR VALUE)

Securities summarized below, are held in the joint custody vault, as provided by Charter Section 6.310.

<u>Securities Charged to the Treasurer</u>	<u>Par Value</u>
<u>Bonds</u>	
Employees' Retirement Fund	\$479,324,966.19
Bequest Funds	205,585.41
Trust Funds	15,000.00
Deposit on Leases	<u>140,000.00</u>
TOTAL	<u>\$479,685,551.60</u>
<u>Miscellaneous</u>	
Corporate Stock (Employees' Retirement)	\$124,343,579.60
Corporate Stock (Bequest Funds)	95,685.32
Deposits on Leases	<u>37,639.54</u>
TOTAL	<u>\$124,476,904.46</u>
TOTAL SECURITIES, JUNE 30, 1974	<u>\$604,162,456.06</u>

Book value of the bonds of the Employees' Retirement Fund will be verified and reported by the firm of Farquhar and Heimbucher, Certified Public Accountants, in connection with their audit of the Retirement System. Book value of the other securities charged to the Treasurer will be verified and reported by the firm of Main, Lafrentz & Company, Certified Public Accountants, in connection with their audit of the Office of the Controller.

Bonds (Par Value) Employees' Retirement Fund \$479,324,966.19

Verification and physical count of bonds was made in conjunction with representatives of Farquhar and Heimbucher, Certified Public Accountants, in connection with their audit of the Employees' Retirement System.

Pursuant to Controller's instructions, bonds and coupons maturing during the fiscal year were examined and released by the Controller's Division of Accounts and Reports to the Treasurer for collection. Reports reflecting monthly collections for 1973-1974 were prepared by the Controller's Division of Accounts and Reports and transmitted to the Employees' Retirement Board.

Transactions during the year under review are summarized as follows:

Balance, July 1, 1973 Bonds	\$478,708,707.26
Purchased	<u>99,860,000.00</u>
TOTAL BONDS	<u>\$578,568,707.26</u>
Less: Sold, Called or Matured	<u>99,243,741.07</u>
Balance June 30, 1974	<u>\$479,324,966.19</u>
Balance July 1, 1973(Corporate Stock)	<u>\$130,731,931.87</u>
Purchased	<u>36,772,414.26</u>
TOTAL CORPORATE STOCK	<u>\$167,504,346.13</u>
Less: Sold	<u>43,160,766.53</u>
Balance June 30, 1974	<u>\$124,343,579.60</u>
TOTAL SECURITIES	<u>\$603,668,545.79</u>

Bonds (Par Value) Bequest and Trust Funds \$220,585.41 (Exhibit "A-2")

Bonds in the above amount and unmatured interest coupons attached were examined and verified with the Controller's records; detail of bonds examined is contained in audit working papers.

Interest collections on Bequest and Trust Funds are audited currently by the Controller's Division of Accounts and Reports.

Bonds (Par Value) Deposit on Leases \$140,000.00 (Exhibit "A-2")

These bonds represent Security on various leases of City and County property.

Other Corporate Securities \$95,685.32 (Exhibit "A-2")

Represents par value of stocks belonging to bequest funds.

Other Certificates \$37,639.54(Exhibit "A-2")

Represents Certificates of Deposit and Investment Certificates deposited with the Treasurer as security on various leases.

Collateral Securities (Exhibit "A-1")

Deposit of Public funds is regulated by Government Code Sections 53630 - 53681. Certain important provisions regarding collateral are:

Section 53652 requires a depository to maintain with an agent collateral securities having a market value of at least 10% in excess of the total of public funds deposited.

Section 53654 permits agents to maintain securities in a collateral securities pool. The agents are not required to segregate specific securities to match individual public deposits.

Section 53662 gives the Treasurer authority to reject any security he deems not qualified under Section 53651 to secure public deposits.

Section 53661 designates the State Superintendent of Banks as Administrator of Local Agency Security responsible for administration of Sections 53630 - 53681.

AUTHORIZED CITY AND COUNTY BONDS - UNISSUED

Unissued City and County Bonds at June 30, 1974, represent the remainder of issues authorized by the electorate, as follows:

	Total Authorized	SOLD			Unsold June 30, 1974
		Prior to 1973-1974	During 1973-1974		
1969 India Basin	\$ 853,000.00	\$ 853,000.00	\$ -0-	\$ -0-	
1913 3rd Seawall	9,450,000.00	9,450,000.00	-0-	-0-	
<u>Authorized 6-2-1964</u>					
1964 Street Lighting	7,000,000.00	5,355,000.00	1,000,000.00		645,000.00
1964 Sewerage and Sewage Disposal	15,623,000.00	13,495,000.00	-0-		2,128,000.00
<u>Authorized 11-7-1967</u>					
1967 Airport	98,000,000.00	66,100,000.00	31,900,000.00		-0-
<u>Authorized 6-4-1968</u>					
1968 Market Street Recon. & Improv.	24,500,000.00	16,475,000.00	-0-		8,025,000.00
1968 Sewerage and Water Pollution Control	17,500,000.00	13,745,000.00	-0-		3,755,000.00
<u>Authorized 11-3-1970</u>					
1970 Water Pollution Control	65,000,000.00	15,200,000.00	-0-		49,800,000.00
<u>Authorized 11-2-71</u>					
1971 Fire Protection	8,491,000.00	6,150,000.00	-0-		2,341,000.00
1971 Harbor Improvement	34,000,000.00	20,000,000.00	-0-		14,000,000.00
<u>Authorized 6-6-72</u>					
1972 Street and Parkway Lighting	6,050,000.00	1,500,000.00	-0-		4,550,000.00
<u>Authorized 11-7-72</u>					
1972 Sewer System Improvement	25,000,000.00	-0-	2,000,000.00		23,000,000.00
1972 Municipal Water Supply System	39,000,000.00	-0-	5,000,000.00		34,000,000.00
<u>Authorized 11-6-73</u>					
1973 Pub. Sch. Bldg. Improv.	37,826,000.00	-0-	17,000,000.00		20,826,000.00
	<u>\$188,293,000.00</u>	<u>\$168,323,000.00</u>	<u>\$56,900,000.00</u>		<u>\$163,070,000.00</u>

There were no printed unsold bonds on hand. It is the practice of the Treasurer to order the printing of bonds when a sale has been made by the Board of Supervisors.

FISCAL AGENT - NEW YORK

Ordinance No. 1184, approved May 30, 1941, designates the First National City Bank of New York as the fiscal agent of the City and County of San Francisco for the purposes of providing payment in the City of New York of principal and interest due on bonds issued by the City and County of San Francisco, and provides the rates of compensation for such fiscal agent. File No. 444-68, Ordinance No. 244-68, approved August 17, 1968 provides for an agreement to be made for schedule of payments. Such agreement was entered effective August 28, 1968.

Transactions reported by said agent and compensation earned during the year ended June 30, 1974 follows:

	Number Processed	Par Value Paid and Cancelled	Compensation	
			Authorized Rate	Earned 1973-1974
Bonds (IM)	5,531	\$ 5,531,000.00	\$0.500 Each	\$2,765.50
Bonds (5M)	1,774	8,870,000.00	0.9375 Each	1,663.10
Bonds Total	7,305	\$14,401,000.00		
Coupons				
(IM)	78,044	-0-	0.040 Each	3,121.76
(5M)	54,938	-0-	0.075 Each	4,120.44
Coupons Total	132,982	7,472,901.87	Total Processing Charges	\$11,670.82
Total		\$21,873,901.87	Add: Mail & Express Charges	400.00
			Total	\$12,070.82

UNITED STATES SAVINGS BONDS

The purchase of United States Savings Bonds by City and County employees under the Payroll Allotment Plan was authorized by Board of Supervisors' Resolutions No. 2666 and 3786, adopted June 2, 1942 and January 17, 1944, respectively.

The issue value of bonds purchased during the fiscal year for the City and County employees was \$883,237.50 as compared with \$865,800.10 for the prior fiscal year.

REVENUE AND EXPENDITURES (EXHIBIT "B")

Revenues exceeded expenditures and encumbrances by \$24,816,901.11. A comparison with the previous fiscal year follows:

<u>Revenues</u>	<u>1973-1974</u>	<u>1972-1973</u>
Interest earned on U.S. Treasury Notes	\$ 1,873,924.72	\$ 250,004.84
Interest earned on inactive bank deposits	23,181,516.07	14,874,379.88
Commissions received on inheritance Tax		
Collections	50,000.00	50,000.00
Other Fees	1,134.00	1,177.50
Conscience Money	83.11	1,184.00
Total	\$25,106,657.90	\$15,176,746.22
<u>Expenditures</u>		
Per Controller's Records	\$ 289,756.79	\$ 265,002.62
Excess of Revenues over Expenditures	\$24,816,901.11	\$14,911,743.60

A five years comparative statement of revenues, expenditures and encumbrances is on Exhibit "B".

Interest on Bank Deposits \$25,055,440.79

In accordance with Government Code Sections 53645 and 53649, interest is computed at rates specified in depository agreements on average daily balances. Such interest was received quarterly and distributed as follows:

	1973 - 1974 <u>Budget Estimates</u>	Interest Income and Other Revenues <u>1973-1974</u>	<u>1972-1973</u>
General, Special Gas Tax and Special Road Improvement Funds Municipal Railway	\$14,550,000.00 <u>-0-</u>	\$21,194,283.84 <u>557,611.63</u>	\$13,660,406.83 <u>62,039.00</u>
Total	<u>\$14,550,000.00</u>	<u>\$21,751,895.47</u>	<u>\$13,722,445.83</u>
S.F. Harbor Improvement	1,400,000.00	1,826,353.28	489,142.46
S.F. Water Operating	<u>110,000.00</u>	<u>224,407.01</u>	<u>159,105.31</u>
Total Current P.S.E. Funds	<u>\$16,060,000.00</u>	<u>\$23,802,655.76</u>	<u>\$14,370,693.60</u>
Fuhrman Bequest-Library		16,348.08	10,941.75
Fuhrman Bequest-Park		16,495.89	10,941.75
Health Service System		126,595.34	91,160.62
Martin Heller		4,253.43	3,906.17
Juvenile Court Trust		1,380.00	594.00
P.P.I.E.		581.00	167.00
Redevelopment Agency		45,209.59	31,234.45
Revenue Sharing		1,026,790.61	594,673.48
State Fund-County Fair		2,469.74	1,656.59
LeRoy Vane		<u>12,661.35</u>	<u>8,415.31</u>
Total Bequest and Trust Fund		<u>\$ 1,252,785.03</u>	<u>\$ 753,691.12</u>
TOTAL		<u>\$25,055,440.79</u>	<u>\$15,124,384.72</u>

The \$557,611.63 credited to the Municipal Railway Operating Fund was distributed and prorated quarterly out of the total unapportioned interest of \$21,751,895.47 on the basis of the Treasurer's daily balances in that fund.

The revenues of the various other funds include bank interest, interest on investments and miscellaneous credits.

Commissions on Inheritance Tax Collections \$50,000.00

Inheritance Tax Commissions and Settlements with the State for the twelve months ending June 30, 1974 are summarized as follows:

Inheritance Tax Collections		\$20,145,155.69
Less: Appraisers' Fees	\$ 9,151.75	
Payments to State	<u>20,086,003.94</u>	<u>20,095,155.69</u>
Commissions Earned, Fiscal Year		<u>\$ 50,000.00</u>

Accounts maintained for Inheritance Tax purposes are recorded on State Controller pre-numbered forms, subject to settlement with the State every two months, and to an audit by the State Controller's Office. Such audit was not duplicated in this assignment.

Pursuant to Revenue and Taxation Code Section 14797 the maximum commissions a Treasurer of a county of the fourth class may retain is \$50,000.00 for a calendar year.

Other Fees \$ 1,134.00

Miscellaneous revenue consisting principally of receipts from issuance of "Duplicate Tax Receipts" and "listing contents of a Safe Deposit Box" collected in accordance with Revenue and Taxation Code Sections 14144 and 14346.

Conscience Money \$ 83.11

This represents various remittances received from unidentified sources and classified as "Conscience Money."

Expenditures \$ 289,756.79

Expenditures compared with budget appropriations for 1973-1974 are as follows:

<u>By Treasurer</u>	<u>Appropriations as Modified</u>	<u>Expenditures and Encumbrances</u>
Permanent Salaries	\$258,990.41	\$257,854.25
Allowance for Overtime	1,300.00	1,142.63
Retroactive Salaries	371.19	322.93
Contractual Services	19,436.81	18,963.00
Use of Employees' Cars	680.00	645.02
Materials and Supplies	4,085.00	4,098.77
Equipment	731.19	731.19
Services of Other Departments	5,846.00	5,974.00
Fixed Charges	25.00	25.00
Total	<u>\$291,465.60</u>	<u>\$289,756.79</u>

Expenditures and encumbrances are currently audited by the Controller's General Office. Such audit was not duplicated in this assignment.

CASH DIFFERENCE PAID

Ordinance No. 68-58, approved February 14, 1958, created a Cash Difference Fund and an Overage Fund in connection with certain offices and departments of the City and County and prescribed the method for the administration of the funds. Since 1963, overages have been deposited immediately to General Fund Surplus rather than to the Overage Fund.

The operations of the two funds are summarized as follows:

	<u>OVERAGE</u>	<u>DIFFERENCE</u>
Balance July 1, 1973	\$ -0-	\$ 351.40
Plus: Overages		
Reimbursement		1,000.00
Total Available	\$	\$1,351.40
Less: Deposits with General Fund		
Disbursements		1,640.62
Balance June 30, 1974	\$ -0-	\$ (289.22)

The balance in the Cash Difference Fund was verified by count.

SURETY BOND - TREASURER

Thomas C. Scanlon, Treasurer, is bonded for \$200,000.00 in accordance with Charter Section 3.405. Hartford Accident and Indemnity Company Surety Bond No. 3977698 for \$200,000.00 covers period August 1, 1972 - August 1, 1973; renewal bond No. 3977698-A in same amount covers period August 1, 1973 - August 1, 1974. The Controller has custody of the bonds in accordance with Charter Section 3.304.

SURETY BOND OF EMPLOYEES

Employees of the City and County of San Francisco are bonded for \$50,000.00, Fidelity and Casualty Company of New York, Bond No. 181-13-96, three-year term expiring September 7, 1975. References: Ordinance 93-61; 94-61; 93-62; 29-70; 30-70.

FORGERY INSURANCE

Forgery Insurance up to \$100,000.00 (\$200.00 aggregate deductible) is provided by Continental Insurance Company, Policy No. 1877767 for the period May 15, 1972 to May 15, 1975 with a 30 day cancellation rider. Policy is on file with the Controller.

MONEY AND VALUABLES INSURANCE

Pursuant to Ordinance No. 31-70, the City is insured by Fidelity and Casualty of New York, Policy No. BBF 1 72 84 86, for the period if September 7, 1972 to September 7, 1975 (\$1,000.00 deductible), as follows:

Inside Premise Coverage:

Money and securities and valuables	\$500,000.00
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Outside Premise Coverage:

Money and securities and valuables	75,000.00
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ITEMS HELD BY TREASURER FOR SAFEKEEPING

Miscellaneous items forwarded by other departments to the Treasurer for safe-keeping were inventoried. Details are on file with the Controller's General Audits Division.

SUMMARY OF CASH AND SECURITIES

<u>CASH AND CASH ITEMS</u>	<u>June 30th</u>	
	<u>1974</u>	<u>1973</u>
<u>CASH AND CASH ITEMS ON HAND</u>		
Coin and Currency	\$ 508,862.00	\$ 365,089.94
Checks on Hand for Deposit	2,636,839.54	4,186,076.66
Due from Clearing House	62,861.93	15,538.09
	<u>\$ 3,208,563.47</u>	<u>\$ 4,566,704.69</u>
<u>CASH IN BANKS (EXHIBIT A-1)</u>		
Short Term Investments	\$ 18,650,000.00	\$ -0-
U.S. Treasury Notes	-0-	10,000,000.00
Active Accounts	717,726.39	5,164,113.18
Inactive Accounts and Investments	347,568,270.54	330,538,830.98
Total	<u>\$366,935,996.93</u>	<u>\$345,702,944.16</u>
<u>UNITED STATES BONDS (PAR VALUE)</u>	<u>\$ 7,150.00</u>	<u>\$ 10,500.00</u>
<u>CASH RECEIVED AFTER JUNE 30 1974 AND APPLIED TO FISCAL YEAR 1973-1974</u>	<u>9,613,346.66</u>	<u>8,063,511.81</u>
Total (Exhibit "C" and "D")	<u>\$379,765,057.06</u>	<u>\$358,343,660.66</u>
<u>SECURITIES</u>		
<u>BONDS (PAR VALUE)</u>		
Employees' Retirement Fund	\$479,224,966.19	\$478,708,707.26
Bequest Funds	205,585.41	206,585.41
Trust Funds	15,000.00	15,000.00
Deposits on Leases	140,000.00	141,000.00
Total	<u>\$479,685,551.60</u>	<u>\$479,071,292.67</u>
<u>OTHER (PAR OR FACE VALUE)</u>		
Corporate Stock (Employees' Retirement)	\$124,343,579.60	\$128,829,673.87
Corporate Stock (Bequest Funds)	95,685.32	97,579.05
Certificates (Lease Deposits)	37,639.54	38,592.50
Total	<u>\$124,476,904.46</u>	<u>\$128,965,845.42</u>
Total Securities	<u>\$604,162,456.06</u>	<u>\$608,037,138.09</u>
Total Cash and Securities	<u>\$983,927,513.12</u>	<u>\$966,380,798.75</u>

BEQUESTS, TRUST FUNDS AND DEPOSIT ON LEASES
IN JOINT CUSTODY VAULT JUNE 30, 1974

<u>BEQUEST FUNDS</u>	<u>BONDS PAR VALUE</u>	<u>FACE VALUE CORPORATE STOCK</u>	<u>CONTROLLER'S BOOK VALUE</u>
Brunetti	\$	\$ 50.25	\$ 94.25
Fuhrman - Library	110,000.00		110,250.00
Gourley		3,352.00	72,667.50
Herzstein	8,000.00		7,926.39
Lewis		260.00	2,000.00
Robinson	40,000.00		40,000.00
Salinger		185.00	19,796.16
Schmulowitz	10,500.00		9,940.95
Sutro	5,000.00		4,996.88
Vane	17,085.41	91,838.07	412,454.72
Windell	<u>15,000.00</u>		<u>15,009.38</u>
Total	\$205,585.41	\$95,685.32	\$695,136.23

<u>TRUST FUNDS</u>			
Panama Pacific Exposition	<u>15,000.00</u>		<u>11,307.21</u>
Total Bequest and Trust Funds	<u>\$220,585.41</u>	<u>\$95,685.32</u>	<u>\$706,443.44</u>

<u>DEPOSIT ON LEASES</u>	<u>BOND PAR VALUE</u>	<u>INVESTMENT CERTIFICATES AND CHECKS</u>	<u>TOTAL</u>
Chih-Chien Chin & Chiu-Meitz Chin	\$	\$ 5,000.00	\$ 5,000.00
Elsie A. Condid		1,500.00	1,500.00
Di Salvo Trucking Company	2,000.00	3,000.00	5,000.00
Tosh Hamahote		609.54	609.54
Mr. and Mrs. Robert Jepson		300.00	300.00
Howard S. Kinoshita		750.00	750.00
Kobayaski and Tamasu		1,437.50	1,437.50
Elias Leider	12,000.00		12,000.00
David P. Mandeville		742.50	742.50
Martin and Maurice Murphy		1,000.00	1,000.00
Nagata, Tom'		700.00	700.00
Peninsula Sportsmens' Club Inc.		1,000.00	1,000.00
Savoy Auto Park and Garage, Inc.		5,000.00	5,000.00
William H. Segale	1,000.00		1,000.00
Joseph L. Silva & Edith S. Lowel		3,600.00	3,600.00
Welch Catering-Civic Auditorium		12,000.00	12,000.00
Welch Catering - Kezar		1,000.00	1,000.00
Woodfield Company	<u>125,000.00</u>		<u>125,000.00</u>
Total Deposits on Leases	<u>\$140,000.00</u>	<u>\$37,639.54</u>	<u>\$177,639.54</u>

TREASURER

EXHIBIT "B"

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND ENCUMBRANCES

REVENUES	FISCAL YEAR ENDED JUNE 30th				
	1974	1973	1972	1971	1970
Interest on U.S. Treasury Notes	\$ 1,873,924.72	\$ 250,004.84	\$ 287,312.94	\$ -0-	\$ -0-
Earnings from Inactive Accounts	23,181,516.07	14,874,379.88	12,507,630.02	14,636,517.19	13,807,269.87
Commission on Inheritance Tax					
Collections	50,000.00	50,000.00	50,000.00	50,000.00	50,000.00
Other Fees	1,134.00	1,177.50	1,043.00	1,113.00	1,273.79
Conscience Money	83.11	1,184.00	-0-	75.00	341.50
Total	\$25,106,657.90	\$15,176,746.22	\$12,845,985.96	\$14,687,705.19	\$13,858,885.16
<u>EXPENDITURES AND ENCUMBRANCES</u>					
Permanent Salaries	\$ 297,894.25	\$ 223,166.58	\$ 221,982.97	\$ 212,757.01	\$ 216,046.82
Allowance for Overtime	1,142.63	738.24	1,405.57	1,778.85	731.84
Temporary Salaries	-0-	6,354.40	-0-	-0-	5,040.00
Retroactive Salaries	7,322.93	-0-	-0-	-0-	-0-
Contractual Services	7,537.20	8,661.51	10,223.61	18,984.44	8,267.45
Fiscal Agent - New York	12,070.82	11,453.46	11,126.45	11,117.78	12,301.40
Materials and Supplies	4,098.77	2,432.74	2,737.12	2,660.58	2,224.27
Equipment	731.19	6,796.34	-0-	469.50	-0-
Services of Other Departments	5,974.00	5,374.00	5,016.00	3,793.00	3,972.00
Fixed Charged	25.00	25.35	-0-	-0-	-0-
Total	\$ 289,756.79	\$ 265,002.62	\$ 252,491.72	\$ 251,551.16	\$ 248,583.78
Net Revenues	\$24,816,901.11	\$14,911,743.60	\$12,593,494.24	\$14,436,154.03	\$13,610,301.38

COMPARATIVE SUMMARY OF CASH TRANSACTIONS

<u>CASH TRANSACTIONS</u>	<u>Fiscal Year Ended June 30th</u>	
	<u>1974</u>	<u>1973</u>
<u>CASH BALANCE - BEGINNING OF YEAR</u>	<u>\$ 358,343,660.66</u>	<u>\$ 312,980,794.85</u>
<u>RECEIPTS</u>		
Receipts	1,189,329,365.14	1,172,173,728.95
Journal Transfers (Contra)	<u>1,115,920,991.88</u>	<u>1,138,209,833.96</u>
Total	<u>\$2,305,250,357.02</u>	<u>\$2,310,383,562.91</u>
Total Balance & Receipts	<u>\$2,663,594,017.68</u>	<u>\$2,628,364,357.76</u>
<u>DISBURSEMENTS</u>		
Cash Disbursements	\$1,167,907,968.74	\$1,126,810,863.14
Journal Transfers (Contra)	<u>1,115,920,991.88</u>	<u>1,138,209,833.96</u>
Total	<u>\$2,283,828,960.62</u>	<u>\$2,265,020,697.10</u>
<u>CASH BALANCE - END OF YEAR</u>		
(EXHIBITS "A" AND "D")	<u>\$ 379,765,057.06</u>	<u>\$ 358,343,660.66</u>

COMPARATIVE SUMMARY OF CASH TRANSACTIONS

<u>CASH TRANSACTIONS</u>	<u>FISCAL YEAR ENDED JUNE 30th</u>	
<u>CURRENT FUNDS</u>	<u>1974</u>	<u>1973</u>
Cash Balance Beginning of Year	\$ 209,879,777.80	\$ 166,788,697.27
Cash Receipts	798,806,198.71	812,604,112.16
Journal Transfers	<u>980,886,241.30</u>	<u>1,017,726,803.19</u>
Total Available	<u>\$1,989,572,217.81</u>	<u>\$1,997,119,612.62</u>
Cash Disbursements	\$ 748,130,378.65	\$ 726,719,705.42
Journal Transfers	<u>1,041,911,629.16</u>	<u>1,060,520,129.40</u>
Total Disbursements	<u>\$1,790,042,007.81</u>	<u>\$1,787,239,834.82</u>
CASH BALANCE - END OF YEAR (EXHIBIT "D")	<u>\$ 199,530,210.00</u>	<u>\$ 209,879,777.80</u>
<u>CAPITAL FUNDS</u>		
Cash Balance Beginning of Year	\$ 114,621,311.80	\$ 117,133,685.92
Cash Receipts	61,921,713.12	36,649,025.18
Journal Transfers	<u>59,576,729.82</u>	<u>42,410,299.48</u>
Total Available	<u>\$ 236,119,754.74</u>	<u>\$ 196,193,010.58</u>
Cash Disbursements	\$ 18,361,940.12	\$ 16,562,595.52
Journal Transfers	<u>64,035,357.85</u>	<u>65,009,103.26</u>
Total Disbursements	<u>\$ 82,397,297.97</u>	<u>\$ 81,571,698.78</u>
Cash Balance - End of Year (Exhibit "D")	<u>\$ 153,722,456.77</u>	<u>\$ 114,621,311.80</u>
<u>TRUST AND AGENCY FUNDS</u>		
Cash Balance - Beginning of Year	\$ 33,842,571.06	\$ 29,058,411.66
Cash Receipts	328,601,453.31	322,920,591.61
Journal Transfers	<u>75,458,020.76</u>	<u>78,072,731.29</u>
Total Available	<u>\$ 437,902,045.13</u>	<u>\$ 430,051,734.56</u>
Cash Disbursements	\$ 401,415,649.97	\$ 383,528,562.20
Journal Transfers	<u>9,974,004.87</u>	<u>12,680,601.30</u>
Total Disbursements	<u>\$ 411,389,654.84</u>	<u>\$ 396,209,163.50</u>
Cash Balance - End of Year (Exhibit "D")	<u>\$ 26,512,390.29</u>	<u>\$ 33,842,571.06</u>
Total Cash on Hand (Exhibit "A" & "D")	<u>\$ 379,755,057.06</u>	<u>\$ 358,343,660.66</u>

City and County of San Francisco
Employees' Retirement System



REPORT ON EXAMINATION OF ACCOUNTS

For the Fiscal Year Ended

June 30, 1973

HURDMAN AND CRANSTOUN

CERTIFIED PUBLIC ACCOUNTANTS • TWO EMBARCADERO CENTER • SAN FRANCISCO, CALIFORNIA 94111

To the Honorable
Nathan B Cooper, Controller
City and County of San Francisco
San Francisco, California

We have examined the balance sheet of the San Francisco City and County Employees' Retirement System as of June 30, 1973 and the statement of changes in reserves for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

General economic conditions have resulted in the market value of the stock investments declining approximately 12% below cost at June 30, 1973 (approximately 34% below cost at the report date). It is not determinable whether this decline is of a temporary or permanent nature. Any decline in the market value of bonds is considered temporary because it is the policy of management to hold all bonds to maturity.

In our opinion, subject to the realization of the carrying value of the stock investments mentioned in the preceding paragraph, the financial statements identified above present fairly the financial position of the San Francisco City and County Employees' Retirement System at June 30, 1973 and the results of its operations for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Hurdman and Cranstoun
Certified Public Accountants

August 26, 1974

San Francisco City and County
Employees' Retirement System

BALANCE SHEET

June 30, 1974

ASSETS

Cash	\$ 12,454,112	
Receivables: Employees' contributions in process of collection	\$ 1,339,279	
City and County of San Francisco contributions and reimbursements	3,762,977	
Bond interest accrued	6,391,938	
Proceeds from sale of securities	1,927,258	13,421,452
Bond investments - at amortized value (par value - \$478,708,707):		
United States Government	21,857,353	
Canadian Government	11,319,004	
Insurance companies	1,450,000	
Public utilities	292,268,468	
Railroads	30,626,760	
Industrial companies	46,982,746	
Financial	66,373,819	
International Bank for Reconstruction and Development	4,342,087	475,220,237
Stock investments - at cost (market value - \$113,787,459):		
Common	127,773,171	
Preferred	1,056,503	128,829,674
		<u>\$679,925,475</u>

The accompanying notes are an integral
part of the financial statements.

LIABILITIES

Liabilities currently payable:		
Tax appropriations in excess of current requirements - payable to the City and County of San Francisco	\$ 293,421	
Accumulated contributions of former members	23,261	
Administrative costs	93,900	
Excess interest earnings payable	1,358,487	\$ 1,769,069
Reserves:		
For current service benefits already granted:		
Service retirements:		
Annuitants	49,555,154	
Pensions	151,565,132	
Disability retirements:		
Annuitants	7,686,530	
Pensions	67,351,526	
Industrial death allowances:		
Annuitants	1,649,605	
Pensions	13,512,908	
Cost of living allowance	2,596,131	
	293,917,728	
For current service benefits not yet granted:		
Unallocated accumulated contributions City and County of San Francisco	194,765,505	
accumulated contributions	118,317,242	
	313,082,748	
City and County of San Francisco contributions reserved for benefits not otherwise funded	4,838,125	
Unallocated earnings from the sale of bonds	61,196	
Contingency reserve against ad valorem experience	15,851,877	
Alta D Labuc bequest	1,100	
		<u>\$679,925,475</u>

SAN FRANCISCO CITY AND COUNTY
EMPLOYEES' RETIREMENT SYSTEM

STATEMENT OF CHANGES IN RESERVES

Year Ended June 30, 1973

Members' contributions:

Normal:

General	\$ 15,775,346	
Police	1,841,608	
Fire	<u>1,575,749</u>	\$ 19,192,703

Additional		35,110
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Redeposit of withdrawn contributions		<u>117,147</u>	\$ 19,344,960
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City and County of

San Francisco - regular contributions:

Current service reserves:

General	24,670,604	
Police	8,536,367	
Fire	<u>6,268,430</u>	39,475,401

Current service benefits:

General	8,405	
Police	404,359	
Fire	<u>2,938,294</u>	3,351,058

Prior service benefits:

General	570,229		
Police	787,568		
Fire	<u>1,526,521</u>	<u>2,884,318</u>	45,710,777

Income:

Bond interest earned	24,244,488	
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Dividends	3,880,940	
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Gain (loss) on sale of investments:

Stocks	595,554		
Bonds	<u>(866,095)</u>	<u>(270,541)</u>	27,854,887

City and County of

San Francisco - other contributions:

For administrative expenses - (contra)	1,004,860	
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For compensation costs incurred - (contra)	<u>2,166,554</u>	3,171,414
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Bequest received

14,702

Total reserve additions
(carried forward)

96,096,740

SAN FRANCISCO CITY AND COUNTY
EMPLOYEES' RETIREMENT SYSTEM
STATEMENT OF CHANGES IN RESERVES
Year Ended June 30, 1973

-2-

Total reserve additions (brought forward)			\$ 96,095,740
Disbursements to members and beneficiaries:			
Allowances and benefits paid from accumulated contributions:			
Members	\$ 6,076,346		
City and County of San Francisco:			
Current service	27,559,790		
Prior service	2,884,318		
Cost of living benefits	<u>1,488,041</u>	\$ 38,008,495	
Accumulated contributions withdrawn		<u>2,591,406</u>	40,599,901
Distribution of excess interest earnings			1,300,386
Administrative expenses paid:			
General - (contra)		1,004,860	
Investment		94,047	
State Teachers' Transfer Project		<u>69,446</u>	1,168,353
Compensation costs incurred - (contra):			
Weekly benefits	1,599,221		
Medical expenses	1,686,082		
Administrative expenses	<u>87,928</u>		
	3,373,231		
Less subrogation recoveries	<u>8,352</u>	3,364,879	
Reimbursements from special funds		<u>1,198,325</u>	2,166,554
Transfer of assets to State Sheriff Retirement System			<u>1,987,044</u>
Total reserve reductions			<u>47,222,238</u>
Excess of reserve additions over reductions (carried forward)			48,874,502

SAN FRANCISCO CITY AND COUNTY
EMPLOYEES' RETIREMENT SYSTEM
STATEMENT OF CHANGES IN RESERVES

Year Ended June 30, 1973 -3-

Excess of reserve additions over reductions (carried forward)	\$ 48,874,502
Reserves at June 30, 1972	<u>579,281,904</u>
Reserves at June 30, 1973	<u>\$628,156,406</u>
Reserves at June 30, 1973 include:	
For current service benefits already granted	\$293,917,788
For current service benefits not yet granted	313,082,718
City and County of San Francisco contributions reserved for benefits not otherwise funded	4,828,125
Unallocated earnings from sale of bonds	61,796
Contingency reserve against adverse experience	16,251,277
Alta D LaDuc bequest	<u>14,702</u>
	<u>\$628,156,406</u>

The accompanying notes are an integral
part of the financial statements.

SAN FRANCISCO CITY AND COUNTY
EMPLOYEES' RETIREMENT SYSTEM

NOTES TO FINANCIAL STATEMENTS

June 30, 1973

1 - Significant Accounting Policies

Method of Accounting

The accounts of the San Francisco City and County Employees' Retirement System are maintained on the accrual basis.

Investments

Stocks are carried at cost. Bonds are carried at cost adjusted for the amortization of premium and discount. Premium and discount are amortized ratably over the terms of the bonds using a level yield method.

Actuarial Valuations

Under the provisions of Sections 165.2, 168.1, and 171.1 of the Charter of the City and County of San Francisco, an actuarial valuation is made every even-numbered year, and an investigation to determine the estimated requirements of the fund is made every odd-numbered year. Actuarial calculations are based on the aggregate method of funding in accordance with the Charter.

Compensation Claims

No liability is accrued for estimated compensation claims pending under the workmen's compensation laws of the State of California. Such claims are paid by the Retirement System and reimbursed by the City and County of San Francisco in each annual appropriation ordinance.

Unfunded Benefits

Reserves are not provided to meet pension requirements for current or prior service of policemen retired under Charter Section 166 or of firemen retired under Charter Section 169 nor for prior service of other members. These benefits are provided out of current contributions of the City and County of San Francisco. The estimated requirements for these benefits at June 30, 1971 were \$49,095,500 based on an actuarial survey at that date. No estimate has been made since that date.

2 - Stock Investments

The market value of stock investments held on June 30, 1973 was \$113,012,459, including \$775,000 in preferred stock. On August 26, 1974, the corresponding market values for stocks held June 30, 1973 were as follows:

Proceeds of stocks sold between July 1, 1973 and August 26, 1974	\$34,471,792
Stocks still retained as of August 26, 1974	<u>50,879,524</u>
	<u>\$85,351,316</u>

3 - Transfer of Sheriff's Department Accounts

Pursuant to a contract between the Board of Supervisors of the City and County of San Francisco and the State of California Public Employees' Retirement System, effective February 7, 1969, the Sheriff's Department members were allowed to elect either of the two systems. For those electing the State system, the transfer became effective January 24, 1973. On May 9, 1973, cash amounting to \$1,987,044, representing funds on deposit for the electing members, was transferred to the California Public Employees' Retirement System. All new employees of the Sheriff's Department after January 23, 1973, become members of the California Public Employees' Retirement System when eligible.

4 - Transfer of Teachers' Accounts

Assembly Bill 961, approved by the Governor on June 30, 1972, provided San Francisco Unified School District credentialed members the opportunity to make an irrevocable election to transfer their accounts to the California State Teachers' Retirement System (STRS) on June 30, 1972. At the same time, members who were also covered by the STRS were given the option to transfer their accounts with STRS to the San Francisco City and County Employees' Retirement System.

The election, which was to be made by February 15, 1973, was conducted by the Unified School District and was retroactive to July 1, 1972. Approximately 5,100 credentialed teachers elected to transfer membership to the State Teachers' Retirement System, while approximately 1,400 transferred to the San Francisco City and County Employees' Retirement System. All new credentialed members employed after July 1, 1972, automatically became members of the STRS.

Cash and securities totaling approximately \$51,000,000 for members' account balances plus accrued interest have been transferred to the STRS from July 1, 1973 through September, 1974. Of this total, STRS has refused to accept securities totaling approximately \$6,400,000 representing employer contributions for the year ended June 30, 1973 on the grounds that this obligation can only be met by a transfer of cash, and has indicated that it will institute litigation if necessary to obtain a transfer of cash rather than the securities tendered.

It is the opinion of counsel for the San Francisco City and County Employees' Retirement System, that under the terms of the law governing the teacher transfer, this liability may be satisfied by the transfer of securities. In either event, the reserves of the School District in the Retirement System are adequate to cover the amount of the transfer.

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS
ON SUPPLEMENTARY FINANCIAL INFORMATION

The accompanying comments and schedules included hereinafter, although not necessary for a fair presentation of the financial position of the San Francisco City and County Employees' Retirement System at June 30, 1973 and the results of its operations for the year then ended, are presented as supplementary information. Such comments and schedules have been subjected to the auditing procedures applied in our examination of the financial statements and are, in our opinion, presented fairly in all material respects when considered in relation to the financial statements taken as a whole.

Henderson and Cranton

Certified Public Accountants

San Francisco, California
August 26, 1974

SAN FRANCISCO CITY AND COUNTY
EMPLOYEES' RETIREMENT SYSTEM

SUPPLEMENTARY FINANCIAL INFORMATION

June 30, 1973

GENERAL COMMENTS

Our examination was made in accordance with the terms of an agreement with the Controller of the City and County of San Francisco dated April 10, 1973.

The San Francisco City and County Employees' Retirement System was established by the Board of Supervisors of the City and County of San Francisco on April 1, 1922. Membership in the System at present includes certain permanent civil service employees of the City and County of San Francisco, and the San Francisco Unified School District, certain part-time employees and certain elective officials. The active membership at June 30, 1973 was approximately 21,400; 9,027 retired employees or their beneficiaries were then receiving monthly benefit allowances.

The System is administered by the Retirement Board consisting of 7 members. They are the President of the Board of Supervisors, 3 active members of the System elected by the membership, and 3 members appointed by the Mayor.

OPERATIONS

Contributions of the City and County of San Francisco are determined in accordance with the Charter provisions. In the case of members contributing under the matching plan provided under Charter Section 165, the City and County of San Francisco contributes amounts equal to the members' normal contributions. Contributions on behalf of members who are contributing under Charter Sections 165.2, 168.1, and 171.1 are computed at rates established by the consulting actuary. These rates are presently as follows:

<u>Department</u>	<u>Charter Section</u>	<u>Rates</u>
Police Department	168.1	33.188%
Fire Department	171.1	30.478
Others	165 (16.70-1)	12.819
All others	165.2	12.819

SAN FRANCISCO CITY AND COUNTY
EMPLOYEES' RETIREMENT SYSTEM
SUPPLEMENTARY FINANCIAL
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June 30, 1973

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Included in all others under Charter Section 165.2 are those teachers who have elected the State Teachers' Retirement System. Under Assembly Bill No 961, Chapter 239, Section 4, Article 15, the employer is liable for an amount equal to 3.2% of the employee's compensation for service performed during the 1972-73 fiscal year, plus 6% interest.

Bond interest earned represents interest collected or accrued less amortization of premium plus accumulation of discount.

Other contributions of the City and County of San Francisco represent reimbursement of actual administrative expenses and net compensation costs incurred.

A summary of the benefits paid during the year is as follows:

Service retirements	\$24,603,509
Disability retirements	7,629,972
Industrial death allowances	1,789,466
Death benefits to members' beneficiaries	1,322,289
Death benefits to beneficiaries of retired employees	1,175,218
Cost of living benefits	<u>1,488,041</u>
	<u>\$38,008,495</u>

The excess of reserve additions over reductions for the year is added to the several reserve accounts which are described elsewhere in this report.

SAN FRANCISCO CITY AND COUNTY
EMPLOYEES' RETIREMENT SYSTEM
SUPPLEMENTARY FINANCIAL
INFORMATION
June 30, 1973

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BALANCE SHEET

In the following paragraphs, we comment on certain of the assets and liabilities of the Retirement System in the order in which they appear on the balance sheet.

City and County of San Francisco
Contributions and
Reimbursements - \$3,762,977

A summary of the balances due from the City and County of San Francisco at June 30, 1973 is as follows:

City and County contributions due from public utilities and special funds	\$1,168,235
Due from special funds: Compensation costs	236,680
Due from general fund: Retirement costs	<u>2,300,115</u>
	<u>\$3,762,977</u>

The amount of City and County of San Francisco contributions due from public utilities and special funds represents the portion of retirement contributions for the year ended June 30, 1973 for which cash transfers were made after that date.

Bond Investments - \$475,220,237

Bonds owned by the System are held in the joint custody of the Controller and the Treasurer of the City and County of San Francisco. They were inspected or confirmed by us on July 11, 1973.

The above amount represents the purchase price of bonds owned adjusted for amortization of premiums and discounts from the dates of purchase to June 30, 1973. None of the bonds owned appeared in default as to principal or interest at June 30, 1973, and all appeared to be of a character legal for investment by insurance companies in the State of California.

SAN FRANCISCO CITY AND COUNTY
EMPLOYEES' RETIREMENT SYSTEM
SUPPLEMENTARY FINANCIAL
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June 30, 1973

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On the books of the System, the amortized value of the bond investments is reduced by the balance of the undistributed earnings from the disposition of certain bonds in prior years. For financial statement purposes, however, this balance, which amounted to \$61,796 at June 30, 1973, is shown as a reserve as described later in this report.

Stock Investments - at
Cost - \$128,829,674

On January 15, 1969, the Retirement Board authorized the investment of Retirement System funds in stocks, not to exceed 25% of total assets. As of June 30, 1973, stock investments constituted approximately 20.5% of total assets. Bank of America served as an investment counselor for the entire year. Dodge and Cox, Inc served until April 1, 1973, at which time they were replaced by Scudder, Stevens, and Clark, Inc.

The stock certificates are held in the joint custody of the Controller and Treasurer of the City and County of San Francisco. They were inspected or confirmed by us on July 11, 1973.

Reserves for Current Service
Benefits Already
Granted - \$293,917,788

This account represents the accumulated contributions transferred to provide annuities and pensions for current service to retired members or their beneficiaries, plus interest, less benefits paid.

In 1970, the Retirement Board established a reserve for cost of living increases. Changes in this account during the year under review were as follows:

Balance at June 30, 1972	\$3,536,676
Interest credited during the year	129,405
Transfers upon retirement of members	<u>418,893</u>
	4,084,974
Benefits paid	<u>1,488,041</u>
Balance at June 30, 1973	<u>\$2,596,933</u>

SAN FRANCISCO CITY AND COUNTY
EMPLOYEES' RETIREMENT SYSTEM
SUPPLEMENTARY FINANCIAL
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June 30, 1973

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Reserves for Current Service

Benefits Not Yet

Granted - \$313,082,718

Members' contributions accumulated, as required by the applicable Sections of the Charter, together with the accrued interest, amount to \$194,765,506, representing the aggregate of the balances reflected on individual members' accounts.

City and County of San Francisco accumulated contributions of \$118,317,212 for the benefit of present members not yet retired are also reflected in this account. Separate accounts are not maintained for individual members, but the contributions are computed in accordance with the Charter Section applicable to each member.

For the fiscal year ended June 30, 1973, interest was credited to these accounts at the rate of 4-1/2%.

City and County of San Francisco

Contributions Reserved for Benefits

Not Otherwise Funded - \$4,828,125

City and County of San Francisco contributions reserved for prior and current service benefits not otherwise funded consist of unallocated funds retained by the System, as provided by an ordinance effective June 30, 1946, plus annual additions for City and County of San Francisco contributions released as a result of withdrawal or death of members who were participating under matching plans, and interest credited. Allocations are made from these funds to the reserve for disability pensions in order to increase this reserve to the present value of the current service portion of disability pensions for retired members. These funds are also reduced annually for certain death benefits of active and retired members and for the restoration of matching contributions in connection with the redeposit of members' contributions previously withdrawn.

SAN FRANCISCO CITY AND COUNTY
EMPLOYEES' RETIREMENT SYSTEM
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June 30, 1973

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Changes in this reserve during the year under review were as follows:

Balance at June 30, 1972	\$4,654,605
Interest credited	<u>344,492</u>
	4,999,097

Less:

Death benefits paid to beneficiaries of matching plan members	\$ 35,300	
Additional allocation to reserve for disability pensions	<u>135,672</u>	<u>170,972</u>

Balance at June 30, 1973	<u>\$4,828,125</u>
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Unallocated Earnings from the
Sale of Bonds - \$61,796

Unallocated earnings from the sale of bonds represents the deferred portion of book profit from the sale of certain bonds. This reserve was created in accordance with resolutions adopted by the Retirement Board, and is being distributed over the life of the bonds purchased with the proceeds.

The following schedule shows the allocation of profit to date:

Profit realized from sale of bonds prior to June 30, 1955	\$5,114,883
Profit applied for 30 years ended June 30, 1972	<u>5,001,363</u>

Balance undistributed at June 30, 1972	113,520
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Profit applied for year ended June 30, 1973:	
Applicable to bonds sold during the year	\$47,760
Applicable to bonds held at end of the year	<u>3,964</u>
	<u>51,724</u>

Balance undistributed at June 30, 1973	<u>\$ 61,796</u>
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SAN FRANCISCO CITY AND COUNTY
EMPLOYEES' RETIREMENT SYSTEM
SUPPLEMENTARY FINANCIAL
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Contingency Reserve Against Adverse
Experience - \$16,251,277

The contingency reserve against adverse experience represents the excess of investment income and gains realized over interest credited to accumulated contributions and reserve accounts at the rates established by the Retirement Board. This reserve was established to meet possible deficiencies in interest of future years, losses on investments, and other contingencies, as approved by the Retirement Board at their meeting of December 14, 1949.

Changes in this account during the year under review were as follows:

Balance at June 30, 1972		\$15,495,543
Bond interest earned	\$24,248,452	
Dividend income	3,880,940	
Gain on sale of stocks	595,554	
Loss on sale of bonds	(818,335)	<u>27,906,512</u>
		43,400,154
Less:		
Interest credited to accumulated contributions and reserves	25,848,491	
Excess earnings paid as dividend	<u>1,300,386</u>	<u>27,148,877</u>
Balance at June 30, 1973		<u>\$16,251,277</u>





